Daily Report

Latin America

FBIS-LAT-92-040
Friday
28 February 1992

Daily Report
Latin America

FBIS-LAT-92-040 *28 February 1992*

CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

FRONT PAGE

CARIBBEAN

Cuba

Havana Notes Agreement's Reception in Haiti *[Havava Radio]* 2
Social 'Deformation' in Former USSR Noted *[Havana Radio]* 2
German PDS Chief Meets Leaders, Leaves *[Berlin ADN]* 2
Criminal Economic Activity Trials in Camaguey *[Havana Radio]* 2
Increase in Number of People's Councils Planned *[Havana Radio]* 3
Ross Leal Meets With Santiago de Cuba Workers *[Havana Radio]* 3

Antigua and Barbuda

Opposition Demands Bird's Resignation *[CANA]* 3

Dominican Republic

Balaguer Announces New Government Appointments *[Santo Domingo Radio]* 4
Proposes Constitutional Reforms *[Santo Domingo Radio]* 4
Haitian Repatriation Process Suspended *[Santo Domingo Radio]* 4

Haiti

Aristide Wants To Meet Cedras Outside Country *[AFP]* 4
Theodore Says Cedras Supports Negotiations *[Port-au-Prince Radio]* 5
Theodore Calls Aristide's Return 'Thorny Issue' *[AFP]* 5
Theodore Proposes National Forum for Unification *[Port-au-Prince Radio]* 5
Deputies Accept 23 Feb Agreement 'in Principle' *[Port-au-Prince Radio]* 6
Senate President Interviewed *[Port-au-Prince Radio]* 7
Benoit Hails Signing of 23 Feb Agreement *[Port-au-Prince Radio]* 8
MDEH Demands Government's Resignation *[Port-au-Prince Radio]* 8

MEXICO

Solana Discusses Trade Agreement With U.S. *[Paris LE FIGARO 26 Feb]* 9
• Chiapas Indian Control Measure Criticized *[EL FINANCIERO 24 Jan]* 10
• Oil Workers Found Unhappy With Union Leaders *[ESTE PAIS Jan]* 11

CENTRAL AMERICA

El Salvador

Government Protests Alleged Honduran Overflights *[San Salvador Radio]* 13
FMLN Reports Bolivian Plane Overflew Guazapa *[San Salvador Radio]* 13
FMLN Leader Asks European Mediation on Aid *[DIARIO LATINO 26 Feb]* 14
Radio Venceremos Discusses Land Tenure Problem 14

Guatemala

Espina 'Pleased' by UN Human Rights Resolution *[Guatemala City TV]* 15

* Human Rights Offenses Continue Unabated *[Mexico City EL FINANCIERO 16 Jan]* 15
* Japan Donates $3.2 Million for Electrification *[SIGLO VEINTIUNO 8 Jan]* 16
* Annual Inflation Rate Estimated at 10 Percent *[SIGLO VEINTIUNO 19 Dec]* 16

Honduras

Callejas Opens Corruption, Fraud Conference *[Tegucigalpa Radio]* 16
Callejas on Armed Forces Restructure, Reelection *[Tegucigalpa Radio]* 17
Discua Elvir Meets Callejas, Officers on Reforms *[EL HERALDO 26 Feb]* 18
Reforms To Allow Presidential Reelection Viewed *[LA PRENSA 27 Feb]* 18
* Renegotiation of Debt With Mexico Reported *[Mexico City EL FINANCIERO 20 Jan]* 18

Nicaragua

FSLN Applies To Join Socialist International *[EL NUEVO DIARIO 27 Feb]* 19
Ortega Comments on Application *[BARRICADA 27 Feb]* 20
Moran, Lieutenants Remain in Managua *[Managua Radio]* 20
* Borge Reflects on Status, Future of FSLN 20
* Comments on Medal *[EL NUEVO DIARIO 27 Jan]* 20
* U.S. Policy Viewed *[EL NUEVO DIARIO 29 Jan]* 23
* Borge Speech Praised *[EL NUEVO DIARIO 29 Jan]* 23

Panama

Bomb Planted To Protest U.S. Troops in Carnival *[ACAN]* 24
M-20 Claims Responsibility *[Panama City TV]* 24
Foreign Ministry Complaint on U.S. Tuna Embargo *[EL PANAMA AMERICA 27 Feb]* 25
Arias Urges Formation of Canal Regulatory Group *[LA PRENSA 27 Feb]* 25

SOUTH AMERICA

Argentina

Menem Denies al-Qadhdhafi Funded Campaign *[Buenos Aires Radio]* 26
Talks Begin With UK on Falklands Islands *[BUENOS AIRES HERALD 27 Feb]* 26
Negotiations With UK Fail *[TELAM]* 26

Brazil

Agreement Signed With Paris Club on Debt *[Brasilia Radio]* 27
Collor 'Very Satisfied' *[Rio de Janeiro TV]* 27
Officials Comment *[Rio de Janeiro TV]* 27
Collor Signs Decree Rescheduling State Debt *[Brasilia Radio]* 28
Collor Approves Budget Passed by Congress *[Brasilia Radio]* 28
* Speculation Abounds on State of Collor's Health *[VEJA 12 Feb]* 28

Colombia

Government Investigates Stolen U.S. Weapons *[Santa Fe de Bogota TV]* 30
Congress Challenges Constitutionality of Decrees *[Santa Fe de Bogota TV]* 30
Former Rebels Demand Government Keep Agreement *[Bogota Radio TV]* 31
* Development Minister on 1992 Economic Plans 31
* Greater Competition Sought *[EL ESPECTADOR 20 Jan]* 31
* Measures Explained *[EL ESPECTADOR 19 Jan]* 32
* Government Outlines 1992 Economic Projections *[EL TIEMPO 29 Jan]* 33
* Bill Outlines 'State of Exception' Measures *[EL TIEMPO 31 Jan]* 35
* 'Informal' Presidential Advisory Group Profiled *[SEMANA 28 Jan]* 37
* FARC Leaders View Caracas Peace Talks 39
* Manuel Marulanda *[VOZ 30 Jan]* 39
* Alfonso Cano *[VOZ 30 Jan]* 40

Paraguay

Rodriguez: Military Still Identifies With Party *[NOTICIAS 27 Feb]* 41

Uruguay

Economy Minister Announces 'Drastic Measures' *[Montevideo Radio]* 42

Venezuela

Minister Reads Announcement About Military *[Caracas TV]* 43
Coup Leader Arias Denies Planning 'Bloodbath' *[AFP]* 44
Disorders Reported During 'Caracazo' Anniversary *[Mexico City NOTIMEX]* 44

Suriname

Reforms Causing 'Tensions' With Military *[Rotterdam NRC HANDELSBLAD 19 Feb]* 45

Panama

ACAN reports that police defused a bomb planted by the subversive group M-20 near the ACAN-EFE news agency in Panama City to protest alleged participation of U.S. troops in carnival festivities scheduled for next week. Leaflets found with the bomb criticized the government for "violating" the country's sovereignty by permitting U.S. participation in the festivities, a charge that authorities have denied. According to ACAN, M-20 warned that it will implement a "sovereignty operation" if U.S. troops are present at carnival, but provided no details.

Haiti

AFP carries a report in which deposed President Jean-Bertrand Aristide says he would like to meet with General Raoul Cedras outside of Haiti "as soon as possible." According to the report, Aristide plans to sue Cedras. Aristide says Cedras should be excluded from the amnesty included in the agreement reached in Washington "because of his 'terrible record.' A criminal should not head the Haitian Army." Aristide told reporters during a news conference following his address before the UN Human Rights Commission in Geneva that Cedras "will have to choose." He did not, however, give any details about what options he plans to present to Cedras.

El Salvador

San Salvador radio reports that the "Government has finally protested to the Honduran Government after seven days of flights by Honduran planes over Salvadoran territory, specifically over areas of guerrilla concentration." The Salvadoran Foreign Ministry "urged the Honduran Government to exercise greater control over the operations of its Air Force," the radio adds.

Brazil

Rio de Janeiro TV reports that President Collor is "very satisfied" with an agreement signed with the Paris Club to renegotiate the country's foreign debt to creditor countries. The president said that the agreement "will open the doors for new investments, new financing, and the consolidation of our relations with the international financial community." Terms of the agreement, Brasilia radio reports, allow Brazil to pay the "main portion" of the foreign debt in 14 years. Economy Minister Marques Moreira said that these terms represent relief "during the crucial years of the economic stabilization plan implemented by the government."

Venezuela

According to AFP, one of the leaders of the failed 4 February coup denied that the plotters had planned a bloodbath, and affirmed that he surrendered to prevent civil war. Lt. Colonel Francisco Arias said the intent was to seize and try President Perez, "to unmask him and show him to the people as he really is, so they could see who was causing their pain." Arias and other coup leaders are being held in Caracas, where they are being questioned, AFP reports.

Argentina

President Menem categorically denied today the report that "Libyan leader Mu'ammar al-Qadhdhafi contributed money to his electoral campaign in 1988," Buenos Aires radio reports.

TELAM reports that an Argentine-UK joint communique was issued stating that "Argentina and Great Britian have failed to reach an agreement on oil cooperation at the Malvinas Islands platforms." It further reports that the two countries have "agreed to meet again in London in late June."

Cuba

Havana Notes Agreement's Reception in Haiti

FL2702164092 Havana Radio Reloj Network in Spanish 1503 GMT 27 Feb 92

[Text] The agreements aimed at returning Haiti to constitutional order have been received by the country's de facto government, the coupist military men who imposed the current government, in a lukewarm manner, say various Santo Domingo newspapers.

According to reports attributed to accredited diplomatic sources in Port-au-Prince, both the Army and the provisional government installed after September's coup have yet to express support for the plan.

The Haitian National Assembly was informed of the steps to be taken by future Prime Minister Rene Theodore to reestablish constitutional order in Haiti a few hours after Theodore returned from Washington.

The 11-point text agreed on by Aristide, Haiti's legislators, and Theodore does not say anything about the future fate of the coupist military men, although a general amnesty law will be included among the measures.

Social 'Deformation' in Former USSR Noted

FL2702161692 Havana Radio Rebelde Network in Spanish 1255 GMT 27 Feb 92

["Our Opinion" commentary by Orlando Contreras]

[Text] Every day, including today, cables and radio and television reports sent by correspondents in the former Soviet Union offer dramatic dispatches about the situation in that enormous territory: nationalist explosions; bloody struggles in Nagorno-Karabakh between Armenians and Azerbaijanis—by the way, a ceasefire has now been called; sky-rocketing prices; drops in production and labor productivity; unemployment; etc., etc.

There are other streams of information for analysis—obviously a lot less—that refer to the cultural world of some of the republics that used to be part of the Soviet Union. There is a sector of the artistic and intellectual world of the former USSR that has made a 180-degree turn and today constitutes a certain kind of theoretical vanguard agitating in favor of capitalism. I believe that behind the manifestations of those intellectual sectors of the former Soviet Union are more profound problems that can be analyzed solely in light of the current phenomena.

No one, except for a very small minority without any statistical value, can change their position from one day to the next. The problem is based on the fact that previously they did not express their real convictions, or their convictions were worn away little by little in silence. I believe that the bureaucratic imposition of socialist realism as part of the official culture significantly contributed to that hidden deformation, which had very little to do with realism and socialism.

But the most serious phenomenon, the one that comes closest to the essence of the problem not only in culture and art but in all social life, is the one that allows the formation of double standards. Opportunists, shammers, and traitors hide behind these double standards, but that statement is not enough. Society must analyze why these double standards develop. In the former Soviet Union and in most of the European socialist countries—I will not be categorical and say in all of them—a profound analysis of the phenomenon of double standards was avoided. They attacked, if anything, the consequences of the evil, but not its causes. They did not attack the factors that generate it. I believe that this is an historic experience that we should keep in mind.

German PDS Chief Meets Leaders, Leaves

LD2702114692 Berlin ADN in German 1218 GMT 25 Feb 92

[Text] Havana/Berlin (ADN)—PDS [Party of Democratic Socialism] leader Gregor Gysi has promised the Cuban party and state leadership the "continued active solidarity" of his party to preserve Cuba's independence. The Cuban people need nothing more urgently for their survival than international support, Gysi said to journalists at the end of his five-day visit to the island republic. Cooperation and the exchange of experiences between the two parties will be intensified, says a press statement circulated in Berlin today.

As guest of the Cuban Communist Party, Gysi met Fidel Castro, National Assembly President Juan Escalona, and other members of the Cuban leadership. The discussions concerned the problems of democratic development in Cuba, the desired constitutional and electoral reform, and the "catastrophic consequences" of the collapse of trade relations with the former Soviet Union and the former GDR. The Cubans thanked the PDS for initiating the "Cuba, Si" campaign, which has so far provided 140 tonnes of powdered milk for Cuban children.

Gysi has now left for Mexico and Nicaragua, where he will hold talks with the left-wing parties until 2 March.

Criminal Economic Activity Trials in Camaguey

FL2702160992 Havana Radio Rebelde Network in Spanish 1800 GMT 26 Feb 92

[Text] The Provincial People's Court of Camaguey Province today began hearing case No. 999 of 1991 against 66 people accused of speculation and hoarding, unlawful gambling, and association with intent to engage in criminal activity. These people are also accused of engaging in unlawful economic activities, falsifying documents, trafficking in precious metals and stones, corrupting minors, swindling, abetting, receiving wrongful appropriations, public scandal, and other criminal offenses.

The principal defendant is Manuel Suarez Rodriguez, also known as Manolito Cafe. He is unemployed and has admitted before the court that he had been sentenced four times in the past for speculation and hoarding. He also admitted having organized and managed unlawful gambling and gambling funds.

In its preliminary conclusions, the Public Prosecutor's Office has accused him of organizing a group that unlawfully trafficked in and sold coffee, living high on the hog due to enrichment from that activity, and organizing a network of several unlawful gambling funds.

The sentences being sought vary from fines to (?prison terms) as high as 20 years, the longest a person can be kept in prison under our laws.

Increase in Number of People's Councils Planned

FL2802130192 Havana Radio Progreso Network in Spanish 1200 GMT 28 Feb 92

[Text] Deputy Ernesto Suarez, secretary of the National Assembly of the People's Government, has stated in Bayamo that there will be a significant increase in the number of people's councils. They will total about 1,000 in the coming months, including almost 430 that resulted from the first process of creating these councils. Suarez asserted that the people's councils can solve many problems with active participation of the masses, therefore they should be given high priority and organization to do their work.

Ross Leal Meets With Santiago de Cuba Workers

FL2802015892 Havana Radio Rebelde Network in Spanish 0000 GMT 28 Feb 92

[Text] Pedro Ross Leal, Politburo member and secretary general of the Cuban Workers Federation [CTC], has presided over a ceremony at Workshop No. 29 of the Jose Cuevas Printing Enterprise and of the Construction and Installation Brigade of the local industries as part of the activities organized in Santiago de Cuba to celebrate light industry workers' day. The CTC leader unveiled the Heroic Tradition Plaque received by the workers of the Construction and Installation Brigade for fulfilling their labor and union commitments over the last five-year period.

Ross Leal stressed, in his words to the workers, the great prowess of the Cuban worker to overcome special period difficulties and as an example he cited the work performed by the men and women of the light industry sector.

As a matter of fact, a group of these worker received, at the Hall of the Eternal Flame in the Antonio Maceo Revolution Plaza, the Jose Ramon Martinez medal for 20 and 25 years of continuous labor in the sector. The provincial ceremony to celebrate the light industry workers' day will be held tomorrow at the mattress factory for being the most outstanding enterprise of the furniture industry in Santiago de Cuba.

Antigua and Barbuda

Opposition Demands Bird's Resignation

FL2702182792 Bridgetown CANA in English 1556 GMT 27 Feb 92

[Text] St John's, Antigua, Feb 27, CANA—Antigua police fired teargas to disperse about 200 opposition supporters who were demonstrating outside Parliament on Thursday as part of a continuing campaign to force the resignation of Prime Minister Vere Bird, eyewitnesses said. At least one arrest was reported. The demonstration was called by a united opposition front comprising the parliamentary opposition United National Democratic Party, the Progressive Labour Movement, and the Antigua Caribbean Liberation Movement, to coincide with the opening of a new parliamentary session. The three parties launched a campaign for the resignation of Prime Minister Bird after the ACLM-affiliated OUTLET newspaper published an article accusing the 82-year-old leader of financial impropriety. Bird has denied the charge.

An eyewitness said two truckloads of riot squad officers arrived on the scene and an officer, using a loudspeaker, shouted three times to the demonstrators to "disperse your unorderly conduct" before the firing of teargas began. Except for demonstrators chanting, "Bird must go," the onlooker said the demonstration was peaceful.

The three-party opposition front, which previously picketed the prime minister's office and other key government ministries, plans to call a national strike next month if the prime minister does not resign.

At a public meeting here Wednesday night, opposition leader Baldwin Spencer told supporters that he would boycott the presentation of the throne speech on Thursday as a mark of protest over the proroguing of Parliament last month. Spencer contended that the House of Representatives was deliberately adjourned to stop him from moving a motion of no-confidence against the prime minister over the allegation of wrongdoing.

The ruling Antigua Labour Party (ALP) also held a public meeting here Wednesday night as part of its efforts to counter the opposition front. Cabinet ministers spoke about the progress the country has made over the last 15 years under ALP rule. They warned the people that if they return the opposition to power again, they will suffer similar hardships as they did during the PLM's 1971-1975 administration. Prime Minister Bird was in attendance at the meeting but did not take the platform.

Dominican Republic

Balaguer Announces New Government Appointments

FL2802141892 Santo Domingo Cadena de Noticias in Spanish 0930 GMT 28 Feb 92

[Text] President Balaguer has appointed a new district attorney for Santo Domingo to replace Jose Leonardo Duran Fajardo. The new district attorney for the capital is Josefina Juan de Pichardo, appointed in Decree No. 63. Balaguer has also appointed Federico Antun Valle as the new director of the national lottery, replacing Ramon Bona Rivera, whom he appointed director of Sabica [not further identified]. The president has appointed Jose Antonio Guzman Alvarez, former budget director, as head of the Industrial Development Promotion Corporation. Balaguer has also appointed a new director of the National Wage Commission. The new head of this labor agency is Rogelio Pena, who is replacing retired Captain Ramon Abreu, who resigned.

President Joaquin Balaguer has appointed Vice Admiral Ivan Vargas Cespedes as the new chief of the Dominican Navy, replacing Vice Admiral Jose Santos Sanchez, who was appointed naval advisor to the president. Vargas Cespedes was promoted to temporary vice admiral to hold the post of Navy chief, as established in Decree No. 96 issued by Balaguer. The president also promoted Ruben Paulino Alvarez to rear admiral in order to appoint him deputy chief of staff of the Navy. Paulino Alvarez is replacing Rear Admiral Victor Francisco Garcia.

Proposes Constitutional Reforms

FL2802151492 Santo Domingo Cadena de Noticias in Spanish 0930 GMT 28 Feb 92

[Text] President Dr. Joaquin Balaguer announced in his speech to the National Assembly that he had submitted several draft laws through the National Identity Card and Civil Registry Offices to the Central Electoral Board [JCE]. Likewise, the head of state said he had submitted reforms to the laws governing the JCE to the legislature, just as opposition sectors has requested. Dr. Balaguer stated that he is a proponent of having the selection of the JCE judges under the control of a tribunal of magistrates. He also advocated the creation of a tribunal for constitutional guarantees. Dr. Balaguer said the Republic's Constitution should be altered only in some aspects and was against holding separate elections to choose members of the legislature.

[Begin Balaguer recording] These reforms include passing to the JCE the General Directorate for National Identity Cards and the Civil Registry Office, and reforms to the current electoral law to correct whatever deficiencies it has, which in the opinion of the country's democratic parties may be rectified.

In general, I think—and this is my opinion—that our Constitution should not be amended except in some cases where it is absolutely necessary. Even in the cases where it is necessary, many of these reforms can be done through partial changes or even through [word indistinct] laws. This would seem [words indistinct] to be the case with the tribunal of magistrates that should be charged with choosing the judges. If some insist on this reform, which is useless and from any point of view undesirable, this would also be the case with the creation of a new tribunal, which would be named the Tribunal for Constitutional Guarantees. [end recording]

Haitian Repatriation Process Suspended

FL2802141992 Santo Domingo Cadena de Noticias in Spanish 0930 GMT 28 Feb 92

[Text] Deputy Foreign Minister Fabio Herrera Cabral has said that the situation in Haiti has prevented the Dominican Republic from continuing the process of repatriating Haitians who reside in this country. Herrera Cabral stated that continuing with repatriation at this time would be equivalent to adding fuel to the fire. He reported that he has maintained contact with Haitian authorities to discuss repatriation and other matters. However, Deputy Foreign Minister Fabio Herrera Cabral stressed that for the moment, the process of repatriating Haitians has been suspended.

[Begin Herrera recording] (?The process has been halted) because of Haiti's problems. We must still wait a while to see what the situation is, and [words indistinct] what should be done, because the problem of Haiti has not yet been resolved. The problem of Haiti will take some time in a process during which we cannot add fuel to the fire. We have so many ties [words indistinct]. [end recording]

Haiti

Aristide Wants To Meet Cedras Outside Country

PA2702214892 Paris AFP in Spanish 1423 GMT 27 Feb 92

[Text] Geneva, United Nations, 27 Feb (AFP)—Deposed Haitian President Jean-Bertrand Aristide on 27 February in Geneva said he wishes to meet "as soon as possible" outside of Haiti with Armed Forces Chief Raoul Cedras, whom Aristide plans to sue.

Father Aristide believes Gen. Cedras should be excluded from the amnesty specified in the agreement reached in Washington on 23 February because of his "terrible record." "A criminal should not head the Haitian Army," he added.

During a news conference following his address to the UN Human Rights Commission, Father Aristide pointed out that he is "exploring the possibility" of such a meeting, but no time or date has yet been set. Jean-Bertrand Aristide will advise Gen. Cedras that, in keeping with the Washington agreement, he still maintains presidential prerogatives.

Cedras "will have to chose," Aristide added, without giving details of the option he plans to present to the perpetrator of the 29 September coup.

Asked about the contradiction posed by the fact that the Armed Forces chief could agree to meet with the person who plans to sue him, Aristide said, "Cedras said he will do so. We will see whether he lied."

In his address before the UN Human Rights Commission, Aristide committed himself to inititating institutional reforms upon his return, especially judicial reforms to guarantee respect for human rights in Haiti.

"We will show the world that revenge and retaliation are beneath us and that we want only justice," he said. Aristide added that "everyone, even the best known culprits, will be tried impartially."

Jean Bertrand-Aristide "solemnly" invited special reporters from the Commission on Torture and Summary or Arbitrary Executions to visit Haiti to investigate human rights violations. He asked the commission to prepare a special report on the Haitian situation.

In 1991 the commission was asked for a similar report when Venezuelan Marco Tulio Bruni Celli denounced the "climate of terror" and "mass violations" under the military regime. Cedras also criticized the Aristide government, saying that despite praiseworthy initiatives, Aristide violated constitutional principles and had not improved the judicial and penal systems.

Recognizing that before the coup it was the Army and not the Justice Ministry that controlled prisons, Aristide said that "since 29 September, things have taken a turn for the worse."

He explained that the coup had prevented him from carrying out targeted human rights reforms.

Theodore Says Cedras Supports Negotiations

FL2702193092 Port-au-Prince Radio Metropole in French 1740 GMT 27 Feb 92

[Text] As we told you before, Prime Minister-Designate Rene Theodore was scheduled to meet with the press this morning. That news conference (?actually) took place.

Theodore made a special announcement that the commander in chief of the Army, General Raoul Cedras, agrees with the negotiated solution to the Haitian crisis. The solution was reached within the framework of the 23 February Washington agreement. Theodore pointed out that Gen. Raoul Cedras unequivocally told him that he agreed with the negotiated solution..

Theodore Calls Aristide's Return 'Thorny Issue'

PA2702222392 Paris AFP in Spanish 2043 GMT 27 Feb 92

[Text] Port-au-Prince, 27 Feb (AFP)—General Raoul Cedras, commander in chief of the Haitian Army, "favors a negotiated solution" (within the framework of the Washington agreement), Prime Minister-Designate Rene Theodore said during a news conference here on 27 February. Theodore noted that Gen. Cedras gave this opinion "privately, without any room for misinterpretation."

Theodore also stated that the return of ousted President Jean Bertrand-Aristide to Haiti is "a very difficult and thorny issue." Theodore reiterated that a time frame cannot be established, as the father president had requested in the Washington negotiations. "We are responsible and will not risk endangering the president's life," he remarked, noting that "an appeasement" is necessary to avoid any confrontation "that could disrupt the process" and result in foreign intervention.

Regarding the president's statement after the signing of the Washington agreement in which the amnesty granted to Gen. Cedras was interpreted negatively, Theodore insisted that Father Aristide "signed a protocol of agreement with the parliament" that ratified the documents "signed" by the parliament, including the appointment of the general as Army commander for three years.

"I am not the law," Theodore told reporters who asked him if he regarded Gen. Cedras as "a common criminal" (as Father Aristide had done).

The prime minister designate ardently appealed for national unity to rebuild "a destroyed country." He invited all sectors of different political persuasions to "help bring the country out of its current crisis."

"We are subjected to the embargo (of the OAS) and are alienated by the international community. We only have ourselves, but at the same time we are fighting among ourselves," the moderate communist president of the National Reconstruction Movement (MRN, coalition which groups many non-Marxists) stated.

If the parliament ratifies his decision, Theodore has pledged to convoke a "vast national forum to define a national policy" with the "constructive participation" of all sectors. "I believe this is what democracy is all about," he said, adding that "competence and efficiency" will be more significant in the composition of his government than political colors.

Theodore Proposes National Forum for Unification

FL2802013592 Port-au-Prince Radio Soleil Network in Creole 1930 GMT 27 Feb 92

[Report on news conference by Prime Minister-Designate Rene Theodore by Philippe Bien-Aime in Port-au-Prince on 27 February]

[Text] Today Haitian Prime Minister-Designate Rene Theodore proposed the creation of a national forum in which all sectors would participate. The forum would help develop a program to force the country to overcome the crisis it is now facing. Philippe Bien-Aime reports.

[Begin recording] [Bien-Aime] Today, Prime Minister-Designate Rene Theodore asked sectors of the country to participate in a national forum that will help Haiti overcome the deadlock it now faces. During a news conference given today after signing the 23 February agreement, the prime minister paid his respects to the Haitian parliament and to the current government for the difficult task it accepted at a time when the country was in danger. He also called for national unity.

[Theodore] I pledge today that once my appointment is ratified, I will convene a large national forum of all sectors so they can participate in their country's policy development. I want to ask each sector to start preparing their report now so their participation in this forum will be constructive in helping to overcome the situation in which the country finds itself today.

[Bien-Aime] For this unity to be achieved, Theodore believes that the country will need to implement various options. He added that the international community already has given him its guarantee that it would support his government once his appointment is ratified.

[Theodore] The international community has guaranteed that it will give Haiti all the necessary financial support so we can repair the effects of the embargo. At the same time, the policies we want to implement will result in a series of measures so we can address serious Haitian economic issues. Those measures will be fulfilled depending on the form of government we implement.

[Bien-Aime] Regarding the Haitian Army, the Haitian prime minister told us that General Cedras has been ratified by the Haitian parliament and, because Father Aristide has agreed to acknowledge all of the parliament's actions since 8 October 1991, Theodore believes this issue is resolved. However, according to Theodore, if this should become a problem, an arbitration committee will be convened.

[Theodore] President Aristide has signed an agreement with the Haitian parliament in which he clearly stated his willingness to accept the parliament's actions. One of the parliament's acts was the ratification of General Raoul Cedras as commander in chief of Haiti's Armed Forces. If the president is in opposition to the parliament on this issue, then a constitutional arbitration committee will be convened. Anyway, it is a parliamentary action; the prime minister has nothing to do with that matter.

In that sense, I will say that we are involved in a conflict. One element of the conflict is the Army. Another element is President Jean-Bertrand Aristide. The break up, throughout society, is based on that. If we want to be reunited today, we must reunite all parties. Everyone should not side with the military. We, along with the military and all parties concerned, are searching for a solution to the crisis.

[Word indistinct] we start on our own without a solution. A common criminal is someone who commits a crime, is arrested, tried, and sentenced. He then is recognized as a common criminal based on the conviction. No one can prejudge someone else's situation and call him a common criminal without a sentence being rendered, which would expose that person to the charge of a common criminal. In that sense, no country would agree to exclude common criminals in amnesty cases, because if common criminals are not excluded, then society would be in trouble. Security problems involve delinquency, so we can conclude that common criminality is about delinquency.

[Bien-Aime] Does General Cedras agree with the protocol of agreement? Does he want to support its implementation?

[Theodore] He said he was willing to give the support required of the military in such circumstances so the agreement can be implemented.

[Bien-Aime] The prime minister-designate recommends that demonstrations not be held in the county because they could, according to him, delay ongoing negotiations and promote confrontation inside the country at the same time. [end recording]

Deputies Accept 23 Feb Agreement 'in Principle'

FL2702195192 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 27 Feb 92

[Italicized passages are in French]

[Text] On 26 February, the Chamber of Deputies accepted in principle the 23 February agreement. Some deputies think the negotiated solution will be good for all Haitians; others think the current executive should resign so the agreement can make sense. Here is a report on yesterday afternoon's Chamber of Deputies session:

[Begin recording] [Unidentified reporter] The Chamber of Deputies accepted on 26 February, after a great deal of debate, the principle of the agreement that was signed in Washington by the presidents of the two chambers, the prime minister-designate, and the ousted president. Some deputies think it is a grave moment and that a reasonable solution should be reached to get the country out of the current crisis. Some deputies think the vote on the agreement should take place after relieving President Nerette and the entire provisional government of their duties so the country will be spared any problems, so the agreement will make sense, and so the National Assembly will not be caught in a trap. Let us listen to Deputy Vital.

[Vital, in progress] *...that the Assembly be trapped. In this case, I would like to suggest that the Assembly immediately establish a process that would first allow, or that would require, President Nerette's departure before this protocol is ratified.*

[Reporter] Following an exchange of verbal attacks between deputies, Deputy Frantz Robert Monday asked

his colleagues to be wise and to look for the path of reason and good sense to save the country. He said the deputies should do what is best for the country in this agreement. He pointed out that, even though he does not agree with the return of President Father Jean-Bertrand Aristide, the country's interest must prevail.

[Monday] *If anyone is against Aristide's return, I am. If anyone will fiercely oppose it, I will. But in all this struggle, in this fight, it seems that only one thing has been forgotten, the most important thing, which is the fact that we are here to defend the interests of the country.* [applause] *What must be said, what one must wonder, is: Is it in the country's interest that he return or not? Is the negotiated solution in the country's interest? Or is it in the country's interest to withdraw, opposing all negotiations? No country can live isolated from the world at this time. Be calm, be collected, be wise.*

[Reporter] It should be pointed out that during the 26 February session, a big quarrel erupted between Deputy Josue Lafrance and Deputy Antoine Joseph on the agreement. We will add that the principle of the agreement was accepted almost unanimously in the lower chamber and that several deputies evoked only one reason: The country's interests must prevail over personal interests so the country's sons can have a break. [end recording]

Senate President Interviewed

FL2802011592 Port-au-Prince Radio Metropole in French 1700 GMT 27 Feb 92

[Interview with Senate President Dejean Belizaire by Clarence Renois; place and date not given—recorded]

[Text] [Belizaire] The application of this agreement is bound by numerous preliminaries. One of the first preliminaries is to have the current executive's assent to proceed with the agreement. Certainly we are separate powers. However, we are taking into account that since the beginning of the crisis, we have made a point of working with the provisional executive to face the difficulties of the situation. We will certainly encourage the executive to cooperate with us and to help us proceed with this agreement.

[Clarence] At what stage, Mr. Senator, I mean, you went to Washington and you were not accompanied by the executive. The executive even.... [pauses] has kept its distance from the agreement, from the negotiations in Washington.

At what stage are you going to call the executive for the application.... [pauses] to proceed with the agreement, which was signed without the executive?

[Belizaire] Well, we have made sure that we watched over the interests of every sector of the nation in our work. It is a job that takes into account all the national constraints. What you are saying is true. However, we think that all the harmony that must exist between the executive and the legislature in order to reach a conclusion to the crisis is not lost. It is true that we are independent and separate powers. In practice, we have always worked together. We will not hesitate to meet with the executive to give an official briefing on the document that has been prepared and to ask the executive to help us, as it did patriotically when it accepted its appointment to power under the circumstances following the events of 30 September.

[Clarence] Will this work be done in private in the National Assembly, in each sector of the Chamber, meaning the Chamber of Deputies, or are you, as president of the National Assembly, going to summon the Assembly to study the agreement, to approve it, to ratify it, or to reject it?

[Belizaire] You see, I have not yet met with the Senate, and right now the Chamber of Deputies is meeting with its president. Therefore, we must consult the senators to resolve the ratification clauses of this document. Whether the document is ratified in separate chambers or in the National Assembly, I think the ratification procedure will provide the necessary support for this document to become a means to extricate ourselves from the situation.

[Clarence] Mr. Senator, do you foresee any difficulties in applying the agreement if it is ratified by parliament? I mean at the political level, in the current political reality.

[Belizaire] We understand that the document cannot be applied without difficulties. After all, if it is true that in this document we have tried to satisfy every sector, there are a few people who understand that one cannot have it all at the same time. Therefore, we are very aware that some difficulties must exist, but we think that with a show of patriotism, goodwill, and consideration for the situation the country is facing, citizens and political leaders will understand the necessity of joining our effort to find a solution to the crisis.

[Clarence] Do you think the Army is ready to accept the decision made by civilians in this crisis?

[Belizaire] I am totally convinced. One can see by the greeting and security we received that the Army is ready to respect and proceed with the requirements of the agreement we have just signed.

[Clarence] I have notice that this raises questions from the public as well as the parliament: Article 3, Paragraph 1 in the agreement signed in Washington provides for the reinstatement of Jean-Bertrand Aristide to his functions as legitimate, elected president of the Republic. Should the National Assembly first relieve this government from its duties, perhaps with the agreement of the provisional government that you appointed in October 1991, before reinstating President Aristide? How are you going to accomplish that?

[Belizaire] I think it is a pretty delicate situation. Since we have always maintained good relations with the

provisional executive and the legislature, the current provisional executive is very much aware of the country's difficulties. We are going to encourage this executive to help us implement the agreement. I do not think we should talk of dismissal, because first of all the provisional executive had the responsibility to hold elections in 45 to 90 days, and the mandate was extended to allow for a power transfer. I think that with this agreement, this executive will help us to proceed with the agreement.

[Clarence] Does the signing of the agreement automatically end the mission of the provisional government?

[Belizaire] Ratification of the agreement by the Haitian parliament will automatically end the mission of the provisional executive.

[Clarence] Are you going to proceed by letter, or will you issue a decree as you did on 8 October?

[Belizaire] It is not we who will end the mandate of the provisional executive. I hope it will go in perfect harmony, in dialogue.

[Clarence] Are you afraid, senator, of a negative reaction from the provisional executive; that he will refuse to leave?

[Belizaire] We are a democracy. We are ready for anything. Whatever happens, we will continue to work to find harmony and cooperation.

Benoit Hails Signing of 23 Feb Agreement

FL2702200292 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 27 Feb 92

[Excerpts] The secretary general of the National Congress of Democratic Movements [CONACOM], Professor Victor Benoit, thinks the agreement signed in Washington on 23 February will allow democracy to triumph in Haiti. He said all sectors of the country's life—including Father Aristide, the Haitian Army, the Haitian people, and the international community—have won. [passage omitted]

Professor Victor Benoit thinks the retention of General Cedras as head of the Army is one of the biggest concessions in the agreement. The National Front for Change and Democracy spokesman does not seem to have problems with the agreement and believes democracy can progress if the Army—as an institution—respects the rules of the democratic game. In his opinion, the signing of the agreement is the first step toward the future of democracy, but there is still much to do. The socialist leader does not rule out participating in a national consensus government. [passage omitted]

Professor Victor thinks the first issue the government should look into is a conciliation policy so everyone can be confident. It should then solve the insecurity problem so the political parties can work properly. [passage omitted]

MDEH Demands Government's Resignation

FL2702201292 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 27 Feb 92

[Excerpts] Leonel Monpoint Mondestin, secretary general of the Movement for the Economic Development of Haiti [MDEH], has also reacted to the signing of the 23 February agreement. He is urging the people to mobilize and ask for the resignation of Jean-Jacques Honorat's government because it has done nothing to alleviate the suffering of the people, who are weighed down with an embargo, while it has spent over two million dollars to organize Mardi Gras. The MDEH secretary general denounces the government that has demanded $100 for each repatriated Haitian. [passage omitted]

The MDEH secretary, who is demanding the government's resignation for the second time, is also demanding justice for 300 poor people who were dislodged from former Sonavesa [house belonging to Jean-Claude Duvalier's father-in-law] premises. He also said that he supports the 23 February 1992 agreement.

Solana Discusses Trade Agreement With U.S.

PM2802123892 Paris LE FIGARO in French 26 Feb 92 p xi

[Interview with Foreign Secretary Fernando Solana by Jacques Jacquet-Francillon in Mexico City; date not given]

[Text] [Jacquet-Francillon] The opposition put up by President Bush's Democratic opponents to the lifting of customs barriers between the United States and Mexico does not seem to be waning. Are you not afraid that the signing of the North American Free Trade Agreement and more especially its ratification by deputies might be postponed until after the November U.S. elections?

[Solana] In such complex negotiations there cannot be a deadline, and there is no deadline. But the progress already made indicates that we can conclude them very soon.

Three parliaments will then have to ratify the agreement. The Mexican parliament is being kept fully informed of the state of the negotiations; the public is very much in favor of it. We therefore think there will be no problem in our country.

In the Canadian Parliament, the plan enjoys majority support and, if there is no change in Prime Minister Mulroney's Conservative majority, there will be no problem either.

In the particular case of the U.S. Congress, two factors will combine: the economic factor and the electoral factor. This does not affect us. It is up to the Washington administration to decide how it intends to deal with this question.

For the time being, it is clear that President Bush is constantly reaffirming his crucial support for the treaty and everything would even seem to suggest that this treaty could become one of the strong arguments of his campaign—commercial freedom, particularly in North America. At all events, as President Salinas de Gortari said, the rationale behind the treaty is indisputable: A big commercial zone already actually exists. More than two-thirds of Mexican trade is conducted with the United States; more than 80 percent of Canada's trade is with the United States. All we need to do now is to organize and further stimulate this huge commercial flow between our three countries.

[Jacquet-Francillon] Clandestine emigration across your northern border seems to be presenting a problem again. The U.S. Department of Justice is protesting and stating that the 1988 record figures have nearly been exceeded.

Is that not another obstacle to the rapid conclusion of the free trade agreement?

[Solana] On the contrary, I think that this situation should prompt us to speed up the conclusion of the commercial agreement. Mexico wants to give jobs to the Mexicans in Mexico. As the president of the Republic repeatedly says: We want to export goods, not workers.

I think that the rationale of the free trade treaty—for Mexico and for Canada and the United States—means that each country can provide its population with work on its own territory.

But Mexico intends to clearly and firmly protect the human and labor rights of its nationals in the United States, and it will do so irrespective of whether they are legal or illegal emigrants.

We will not backpedal. There are areas of conflict. There is a degree of violence on the border. That is true. But we have managed to ensure that these problems are tackled with realism and intelligence and do not jeopardize our good relations with the United States in general.

[Jacquet-Francillon] Mexico openly supports a reform of the UN Charter. Why? What is the scope and nature of the changes you want?

[Solana] We want democracy inside each of our countries; but we also want democracy among nations.

The United Nations was set up in 1945 on the basis of the situation resulting from World War II. Today, things have changed, and we think that some countries have a position of preeminence in the Security Council which should not be prolonged indefinitely.

We are in no hurry, but our approach will be to demand changes within the United Nations so that major decisions can in the future be made in a more democratic spirit.

In the past, we have seen how one country's veto could paralyze the organization's work. The conflict between the Soviet Union and the United States now no longer exists and yet we note that the preeminence of five countries (the permanent Security Council members—LE FIGARO editor's note) continues, and this is a preeminence which we would like to see reduced with time.

In the short term, we think we must first strengthen the general secretary's prerogatives and then increase the General Assembly's decisionmaking powers. But that must all be done without haste.

[Jacquet-Francillon] Franco-Mexican economic relations are developing fairly favorably. And yet, in the political sphere, we sometimes have the impression that there is some grit in the works.

Since he took office on 1 December 1988, President Salinas has made three official visits to several European countries. He has not made a visit to France other than a brief stay in Paris to attend the ceremonies to mark the bicentenary of the French Revolution among the flood of heads of state from the whole world.

Last July, in an exclusive interview to LE FIGARO, President Salinas announced that Mr. Mitterrand would visit Mexico before the end of the year. Mr. Mitterrand did not come. At the same time, there is no longer much talk about a forthcoming official visit to France by Mr. Salinas.

[Solana] President Mitterrand has been invited to Mexico. He will always be welcome when he decides to come.

We fully understood that last year's changes of program were due to events in Europe. We still hope that Mr. Mitterrand will visit Mexico at his convenience.

Quite independently of that, President Salinas has received an invitation to visit France. This invitation was repeated during my last visit to Paris in December. The Mexican head of state's visit is now scheduled for July.

[Jacquet-Francillon] Mexico has always proclaimed itself to be an unconditional defender of human rights.

In the name of those same principles, the French Government recently put forward the concept of the "humanitarian right of intervention."

Are you afraid that, invoking that "right of intervention" your big northern neighbor, now your ally and your possible future partner, might be tempted to intervene in your own affairs?

[Solana] In our view, the "right of intervention" is synonymous with intervention. But for Mexico, the principle of nonintervention is the cornerstone of its foreign policy.

We think that human rights must be defended in the framework of the UN charter and that of regional bodies like the OAS. We do not think that it is by shows of strength, still less by military operations, that human rights can best be defended, because, in that case, men lose one of their essential rights, the right to national sovereignty.

I think that the "right of intervention" to which you refer is the result of a fashion. I also think that this "intervention" is motivated more by political than humanitarian reasons.

[Jacquet-Francillon] Despite the few hopes aroused by his participation in the first Iberian-American summit in Guadalajara in early summer, Fidel Castro does not seem to be inclined to liberalize his regime. People are still being shot in Havana.

From the first few days of the Castroist revolution, Mexico has maintained good relations with Cuba. Relations between the United States and Mexico are good. Mexico, therefore, seems to be in a better position than anybody else to use its good offices between Washington and Havana to bring about a normalization that would facilitate the development of the Castroist regime in the direction of a desirable liberalization. Is this true?

[Solana] Mexico does not intend to act as intermediary or to use its good offices, because it has not been asked to do so. We have excellent relations with the United States, and we have good relations with Cuba, with which we have even managed to develop some investment and trade programs. Castro will certainly attend the forthcoming Iberian-American conference in Madrid—Spain has invited it—and we hope that that will help clear up any remaining misunderstandings and solve the problems that exist between some countries and Cuba. I cannot tell you any more.

[Jacquet-Francillon] But if the United States and Cuba both asked you to act as intermediary, would you do so?

[Solana] No. I do not know what the future holds for us, but, for the time being, this possiblity does not even exist.

Of course, we are exchanging information with the United States and with Cuba, but it is not mediation of any kind. This role belongs to the international organizations, in other words, essentially to the United Nations. We can give the general secretary our help as we did in the case of El Salvador, but that is all.

* Chiapas Indian Control Measure Criticized

92CA0085B Mexico City EL FINANCIERO in Spanish 24 Jan 92 p 30

[Report by Clara Guadalupe Garcia]

[Excerpt] Representatives of the indigenous Chiapan communities of the Palenque and Ocosingo region met yesterday with Jorge Carpizo, president of the CNDH [National Human Rights Commission], to discuss the progress of the commission's investigation of the complaint filed by local ethnic groups about systematic violations of their basic rights and individual protections in southern Chiapas.

In Chiapas, nearly 70 percent of the population is indigenous, according to nongovernmental human rights organizations working in the region. They belong primarily to the Chol, Tzeltal, and Zoque ethnic groups.

The inhabitants of Ocosingo and Palenque, located in the northeastern part of Chiapas State, a region with some forests along the Tabasco and Guatemala borders, in addition to all the social problems created by extreme poverty, face constant harassment by town, rural, state, judicial, and immigration police forces, because of the extensive raids conducted to halt the illegal transit of Central Americans.

Because of this situation, the authorities have asked the residents of this region to apply for a document proving that they are Mexican border residents. To obtain this document, the people must present a birth certificate, certificates of possession of "ejido" or communal lands,

photographs, and a payment—considered excessive by the indigenous people. These obligations are required of no other Mexican citizen. [passage omitted]

* Oil Workers Found Unhappy With Union Leaders

92CA0085A Mexico City ESTE PAIS in Spanish Jan 92 pp 10-11

[Text] On 3 and 4 January the STPRM [Trade Union of Petroleum Workers of the Mexican Republic] will elect their union's executive board for the 1992-1995 term. ESTE PAIS is presenting a poll conducted by the CEOP [Center for Public Opinion Studies] among oil workers. This survey reveals their opposition to the present union leadership, the belief held by the majority that there is corruption in the union, and the feeling that the union is not democratic.

Pemex [Mexican Petroleum] workers express some slight optimism about their present personal situation: 46.6 percent think they are better off now than a year ago. Optimism increases in relation to 1992; 49 percent expect to be in a better position then.

When the oil workers were asked about the organizations with which they are affiliated, 74.1 percent spoke favorably of Pemex, while 14.2 percent held negative views. For the CTM [Confederation of Mexican Workers], 43.7 percent were unfavorable, and only 29.4 percent favorable. For the CT [Labor Congress], there were expressions of support from 41 percent, compared with 30.9 percent against. Opinion on the Pemex union's local executive boards was slightly unfavorable, and received the highest percentage of average or "just okay" ratings: 17 percent said that the boards are neither good nor bad, 38.6 percent were favorable, and 40.9 unfavorable. Finally, on Pemex's own trade union, 39.6 percent held unfavorable opinions, while 37 percent were favorable.

In summary, if the workers' opinions were listed on a scale ranging from better to worse, they would appear in the following order: Pemex would occupy first place, followed by the Labor Congress and the Pemex local executive boards; and at the bottom would be the oil workers' union and the CTM. About 13 percent of the workers questioned said they "had no opinion" or "did not want to answer" when asked about the CTM and the Labor Congress.

In general, the workers feel they have received no or few benefits from the Pemex union (18.8 percent). Only 7.1 percent said they have received many personal benefits from the union, and 28.7 percent reported they had received some benefit.

On the performance of the union's secretary general, Sebastian Guzman Cabrera, 41.8 percent felt he has done a poor job, and 39.1 percent gave him a good performance rating.

Opinions were not very favorable to Sebastian Guzman's reelection: 50.7 percent were opposed, 24.5 percent in favor, and 17.9 percent indifferent.

Opinion of the Petroleum Union's Leader, Sebastian Guzman Cabrera

Against	42%
For	39%
No opinion	19%

Opinion About Sebastian Guzman Cabrera's Reelection By Region

	Percentage	Center	North	South
For	24	6	19	41
Against	51	61	55	39

The Pemex workers think they are more disunited than united, that Pemex has too many employees, that the union is corrupt, that there is no union democracy, and that the present leaders do not represent the interests of the rank and file. While 43 percent believe there is unity, 51.6 percent said they are disunited; 49.1 percent said Pemex has too many employees, and 46 percent disagreed; 67.9 percent of those polled said there is corruption in the union, and 12 percent did not know or did not want to answer; 57.6 percent believe there is no union democracy in Pemex, while 34.7 percent hold the opposite view. Finally, the workers feel that the present petroleum union leaders do not represent their interests: 62 percent said they are not represented, while 28.3 percent held the opposite view.

The majority of the oil workers (73.9 percent) want a secret ballot in union elections, while 24.4 percent favor voting by a show of hands.

In general, they did not mention groups opposing the national or local leadership by name; only 8.2 percent cited at least one opposition group. Among the groups mentioned were: 18 de Marzo, Liberal, Majority Unifier, "Guinda," and Blue List, but with a very low percentage (2 percent).

President Carlos Salinas de Gortari received a very high rating: 78.2 percent. "La Quina" stayed in second place, with a 54.8 percent favorable rating and 25.2 percent opposed. Cuauhtemoc Cardenas was in third place, with a 42.1 percent favorable and 19.9 percent unfavorable rating.

When the oil workers were asked about the future of the workers' movement in Mexico, 41.3 percent were optimistic, and 31.8 percent pessimistic.

Of the Pemex workers surveyed, 42.5 percent are PRI [Institutional Revolutionary Party] supporters; 38.8 percent said they had no party preference, and 16.6 percent support opposition parties.

Finally, 57.1 percent had not heard of the MNP [National Petroleum Movement], 7.2 percent did not know or did not answer, 27 percent had a good opinion of it, and 4.4 percent a poor opinion.

Methodology

Polling date: November 1991.
Sampling method: Random, by groups.
Sample size: 360 interviews in 18 communities.
Margin of error: +/- 5 percent.
Type of interview: Personal, at home.
Director of research: Miguel Basanez.
Director of polling: Jesus Orozco.
Graphics design: Pablo Paras.
Sponsor: ESTE PAIS-MNP.

El Salvador

Government Protests Alleged Honduran Overflights

PA2702233392 San Salvador Radio Cadena YSU in Spanish 1800 GMT 27 Feb 92

[Text] The Salvadoran Government has finally protested to the Honduran Government after seven days of flights by Honduran planes over Salvadoran territory, specifically over areas of guerrilla concentration. This incident has endangered the fulfillment of the peace agreements in our country, according to Deputy Foreign Minister Dr. Orlando Valdivieso.

[Begin recording] [Valdivieso] On 24 February at 0750, two A-37 planes from the Honduran Air Force flew over the areas of (La Peca) and Perquin, Morazan Department, at a height of approximately 3,000 meters. At 0930, the planes flew over Chalatenango, and at 1015 they flew over the northern parts of San Fernando and Perquin, Morazan Department, thereby violating our airspace. It is important to note that these are unauthorized flights, and we must emphasize the Salvadoran Government's intention to prevent the peace process from suffering any setbacks.

It is important to note this and, evidently, ONUSAL [UN Observers for El Salvador] has pointed out that Salvadoran planes have not taken off and have not been used for these kinds of overflights, especially in those areas.

[Reporter] Why did it take so long for the government to file this protest?

[Valdivieso] For the simple reason that, with something as important as this, we wanted to listen to different viewpoints because filing a protest note is very serious. We could not rush out after listening to the first news or reports. I received authorization to act an hour ago, more or less, and action has already been taken.

[Reporter] [Question indistinct]?

[Valdivieso] None. We are sure there will be no more overflights from the Republic of Honduras. We are going to give them the benefit of the doubt as good Central Americans—which we are—at a time when we have a country at peace and a president who promotes peace. Those promoting Central American integration must regret this incident, because it definitely does not contribute to the normal relations we would have wanted within the process to consolidate peace, but we are sure it will not happen again.

[Reporter] [Question indistinct]?

[Valdivieso] First, we gathered the information and, at this time, we are sending a protest note to the Honduran Foreign Ministry. The original note has already been sent to the ambassador accredited in our country.

[Reporter] [Question indistinct]?

[Valdivieso] For the time being, the Foreign Ministry has only the same information you print in the newspapers. They have denied these flights over Salvadoran territory.

[Reporter] [Question indistinct]?

[Valdivieso] You asked me if Honduras is aware of this? Yes, the protest note has been received in Tegucigalpa.

[Reporter] [Question indistinct]?

[Valdivieso] We have just clarified that. Apparently, the Farabundo Marti National Liberation Front [FMLN] hosted a news conference, at which it mentioned a flight by a Bolivian plane. We have investigated and learned that it was a plane chartered for some cartographic work, or something similar, some aerial photography. I understand it is doing cartographic work, and it has nothing to do with these flights near the border and in the areas where the FMLN has gathered. These are two very separate cases.

[Reporter] [Question indistinct]?

[Valdivieso] Apparently, this is a commercial service being provided by a Bolivian plane, a technical plane for aerial photography, for Salvadoran cartography.

[Reporter] [Question indistinct]?

[Valdvieso] As far as I know, the Bolivian plane has not flown over the area of [word indistinct], but further into the interior of the country. [end recording]

Although the incursions by the Honduran planes began on 20 February, the official communique issued a few minutes ago by the Salvadoran Foreign Ministry refers only to the flights that were detected since 24 February. Because the reason for the Honduran planes' overflights is unknown, the Salvadoran Foreign Ministry urged the Honduran Government to exercise greater surveillance over the operations of its Air Force.

FMLN Reports Bolivian Plane Overflew Guazapa

PA2802001192 San Salvador Radio Cadena YSU in Spanish 1800 GMT 27 Feb 92

[Text] The Farabundo Marti National Liberation Front [FMLN] has reported that a Bolivian airplane overflew guerrilla concentration areas in Guazapa. They called on the various groups of Salvadoran society to put aside their confrontational attitudes in order to continue implementing the peace accords.

The FMLN Political Committee said that the implementation of the peace agreements is going through its first crisis, referring to the land problems and the planes that have overflown guerrilla areas. According to the FMLN, this is a clear provocation of their armed forces.

Jerson Martinez of the FMLN Political Committee said the challenge that now faces all sectors, after the end of the armed conflict, is to solve the land problem. Martinez said that the land situation was one of the main

reasons for the war. He stressed that the solution is not in the hands of the FMLN and the government only.

[Begin Martinez recording] The land problem was a central issue, even before the war. It was like the eye of the hurricane. We have all said: Let us stop the hurricane of war. Once the war is over, let us begin solving the original problem. That is the land problem. Now that the shooting has stopped, let us begin solving this problem. The two sides cannot solve the problem alone because it is not only the FMLN's and the government's problem. It is a problem that involves the peasants and the landowners, which makes it a little more complex because there are several interests and several participants. We would like to encourage everyone to solve the problem now. Let us solve the problem. Let us not use old solutions that have failed before. Let us find real solutions for the country.

The FMLN wants to promote an atmosphere of harmony, but we have found a reactionary attitude of confrontation in the government. What did the government do first? It convened the landowners and tried to form a bloc—a biased bloc—that attempted to limit their views and attitude. This is not positive. This problem is so serious that we believe we have hardly seen the tip of the iceberg.

What would happen in this country today if the social forces, the peasant organizations, the opposition forces, or the FMLN were to call for the organization and mobilization of all landless peasants? If we were to respond in the same way to the government's biased attitude, this whole issue would go up in flames. We believe it can only be beneficial to bring all interested parties together, so that all can contribute and prevent us from returning to the old failed solutions. Some government and business sectors are demanding that the peasants be evicted by force. We would like to state here that this would be the worst mistake they could make after the war. It would be an attempt to put out flames with gasoline, which would burn us all again. [end recording]

FMLN Leader Asks European Mediation on Aid

PA2802041092 San Salvador DIARIO LATINO in Spanish 26 Feb 92 p 4

[Text] Eduardo Sancho, a commander of the Farabundo Marti National Liberation Front [FMLN], on 25 February requested the mediation of a delegation of European parliamentarians visiting our country to expedite foreign financial assistance for setting up guerrilla camps.

The General Command met with the European Parliamentary Commission members in a San Salvador hotel to inform them of the process to implement the agreements and its progress in various areas.

According to Sancho, it is urgent to accelerate the "Emergency Fund" and provide the camps with the necessary operating materials, a commitment the international community made after the Salvadoran Government and guerrillas signed the peace agreements. FMLN sources said they have nearly 8,000 fighters gathered in 50 sites throughout the nation, which means they need an average of 24,000 daily food rations.

The General Command asked the parliamentarians to convey their request to the international community to expedite financial assistance for the camps, which will permit implementation of the agreements, particularly the concentration of forces.

Referring to the flights over areas where the guerrillas have gathered, Sancho said this was "an open provocation." But he said, "Peace is not jeopardized because the process is irreversible."

Although he admitted the possibility that these might be Honduran Air Force planes, he ruled out the possibility that the flights will hinder the peace process and demanded that the government and the Armed Forces General Staff clarify this situation. "I do not think this is related to the 1991 helicopter incident," he said, ruling out the possibility of any "revenge" because of it.

Radio Venceremos Discusses Land Tenure Problem

PA2702185492 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 27 Feb 92

[Editorial: "Land Is For Those Who Work It"]

[Text] To talk about land tenure in El Salvador is to talk about one of the main reasons for the conflict that lasted more than a decade. The conflict ended with the agreements to solve the land tenure problem and other important issues, to be able to establish a new economic model in the country.

We criticize both the government and the rightist sectors for blocking the solution to the land tenure problem. A clear example of this is the fact that security corps members in recent hours have been dislodging hundreds of families from land in disputed areas that they have occupied for many years. These plots were abandoned by their previous owners, and the peasants have made great sacrifices to make the land productive.

In addition to blocking compliance with the agreements, the government and the rightist sectors have launched a propaganda campaign in an attempt to curb the benefits the people attained in the agreements. The government and the rightist sectors are currently organizing to carry out activities that will give them some leeway to be able to further boycott the agreement compliance schedule.

We believe the attitude of confrontation held by the government and the rightist sectors will only kindle the flame of conflict between the country's social sectors. It is necessary for this confrontational policy to be corrected, because we already know where it will take the country if this is not done. Today, as in the past, the

peasants are confronting a strong threat against their lands. This will prompt them to organize and to struggle in order to defend their rights and their interests.

Guatemala

Espina 'Pleased' by UN Human Rights Resolution

PA2802015592 Guatemala City Teleonce Television in Spanish 1800 GMT 27 Feb 92

[Text] The UN Commission on Human Rights ended in Geneva, Switzerland, a review of the human rights situation in Guatemala without issuing a declaration condemning our country. Our anxious expectations about this conclusion were reported in Guatemala and in Europe. Vice President Gustavo Espina Salaguero commented on the resolution at a news conference.

[Begin Espina recording] We are very pleased that the 48th session of the UN Commission on Human Rights, meeting in Geneva, approved by consensus a resolution to assist Guatemala on human rights as part of topic No. 19. It went further by providing advisory services on this topic. It is worth noting that our country was not condemned for human rights violations. I want to say that a vote was not taken since the decision was made by consensus. This is one of the most positive resolutions issued in these past years with regard to Guatemala.

The resolution also noted President Jorge Serrano's government has made a political commitment by its appointment of qualified personnel to handle human rights and the security corps. It stated that the government has punished those responsible for human rights violations. It recognized that the Serrano government has begun legal and institutional changes to fight impunity and guarantee full protection of human rights.

The resolution recognized the effort by the government and the Guatemalan National Revolutionary Unity [URNG] to attain peace. It stressed the way the Serrano government has handled the problem of refugees and referred to the document signed between the United Nations High Commissioner for Refugees and the government regarding the handling of Guatemalan refugees. This resolution also recognized government and Development Ministry efforts to create a National Fund for Peace to help those hurt the most in the strife-torn zones.

The resolution urged and encouraged the Guatemalan Government to continue the talks with the URNG, with the support of Conciliator Monsignor Rodoldo Quezada Toruno and UN Observer Francesc Vendrell. It asked the UN secretary general to extend the mandate of the independent expert on human rights. We are not saying Mr. Christian Tomuschat will not continue his work. The UN secretary general alone will make that decision. Either Mr. Tomuschat or someone else will come with the same mission. The Guatemalan Government will continue its unyielding struggle to improve the people's living standards and to fully enforce human rights because it wants to fight impunity and advance the rule of law.

Many Guatemalan sectors, news media, and, of course, the Guatemalan Government and officials, were concerned and awaited the final resolution. After hearing the good news this morning, I wanted to share it with the Guatemalan people through responsible news media. This is basically what I wanted to say regarding the document, which our Embassy in Geneva reported to us. As I said earlier, this is the best treatment our country has received in these past years. It did not condemn the country. No vote was taken on it; instead the decision was made by consensus. Guatemala received the backing of the international community, and we are pleased with the decision made in Geneva. This is our reaction. [end recording]

* Human Rights Offenses Continue Unabated

92CA0084B Mexico City EL FINANCIERO in Spanish 16 Jan 92 p 35

[Article by Fredy Lopez]

[Text] Guatemala City, 15 January—Three teachers of "street children" went into exile today after receiving death threats from unidentified individuals, Bruce Harris, the director of Casa Alianza [Alliance House], has reported. Meanwhile, the Mutual Support Group (GAM) has expressed concern about the situation which still prevails in the country today despite the fact that President Jorge Serrano Elias completed his first year in office yesterday.

Harris said that Olga Jimenez de Medina, Adrian Medina, and Carolina Fernandez, the teachers who have left the country, witnessed the assassination of Nahaman Carmona, a child who was killed about three years ago by three Guatemalan National Police agents.

In fact, the director of the Casa Alianza indicated that this was the reason for the death threats received by the teachers, who opted to seek asylum in the Embassy of Canada. At least 20,000 Guatemalans who have fled the country because of political violence since 1978 are now in that country. In an "urgent" statement sent to the international press correspondents accredited to Guatemala, the GAM reported that more than 796 persons were assassinated in the course of last year, the majority showing signs of having been brutally tortured prior to receiving the coup de grace.

The GAM also said that there were 126 kidnappings during this same period, while in the first 14 days of 1992, more than 18 assassinations similar to the earlier killings were reported.

"It is obvious," the Support Group said in its statement, "that the government of President Serrano Elias has lacked the capacity to control, even minimally, the violations of human rights." The statement warned that

"comrades in this sector have been receiving death threats in anonymous letters obviously sent by members of the Army and the civilian patrols."

The representative of the Casa Alianza, an institution which supervises the lives of at least 5,000 children, said for his part that instead of decreasing, the violence against vulnerable minors increased by 56 percent in comparison to the preceding year, when at least 26 infants were found dead in the streets of the Guatemalan capital.

According to the director of the Casa Alianza, the "street-children" phenomenon is a product of the profound economic and social upsets from which the Guatemalan people have suffered. They, in turn, are the result of the extreme upheavals caused by the political violence experienced throughout the national territory since the first guerrilla outbreaks early in the decade of the 60s.

* Japan Donates $3.2 Million for Electrification

92CA0084D Guatemala City SIGLO VEINTIUNO in Spanish 8 Jan 92 p 8

[Text] The people and the government of Japan will donate 410.41 million yen ($3.2 million) to Guatemala on 10 January for use in the Rehabilitation of Hydroelectric Plants for the Development of the Provincial and Rural Areas Project, the embassy of that country has announced.

The exchange of memoranda between Guatemalan Minister of Foreign Relations Gonzalo Menendez Park and Japanese Ambassador Hirosuke Oshima for the presentation of the donation will take place at 1000 on 10 January in the ceremonial hall at the National Palace.

This donation is included in the nonreimbursable financial cooperation program, and is being handled by the Japanese Cooperation Agency (JICA).

The money will be used to purchase the equipment for generating electrical energy, including hydraulic turbines, generators, electric panels, hydromechanical apparatus, and pressure pipe. These items are needed for the rehabilitation of the seven hydroelectric plants included in the Municipal Electrification Program, which the Infom [Municipal Development Institute] began to implement in May of 1988.

The plants this program benefits are located in Retalhuleu, Santa Barbara (Suchitepequez), Tacana (San Marcos), San Jeronimo (Baja Verapaz), the Comaja settlement (Guastatoya), Zacualpa, and Joyabaj (Quiche).

As the financing and advisory body for the municipalities, Infom will have the task of completing the civil construction work needed at each plant to be rehabilitated. This work will include supervision, installation, and testing, as well as the training necessary to ensure the operation and maintenance of the equipment in proper condition throughout its useful life.

Ambassador Oshima said that "the people and government of Japan are pleased to contribute, by means of this financial cooperation, to the well-being and development of the Guatemalan people, and to independence in the energy sector achieved through development of the use of renewable resources in order to improve the environment and the quality of human life."

* Annual Inflation Rate Estimated at 10 Percent

92CA0084E Guatemala City SIGLO VEINTIUNO in Spanish 19 Dec 91 p 14

[Text] When this year ends, the rate of inflation in this nation is expected to be between 10 and 11 percent. This is below the goal of 15 percent set by the government at the beginning of its administration, the minister of economy has stated. According to this official, the rate was 9.5 percent earlier, but because of the Christmas holidays, the percentage may rise, but only minimally.

He added that the conditions for and expectations of an inflation level of between 6 and 8 percent in 1992 have been created. This will make a higher volume of domestic and foreign investment in Guatemala possible.

With the achievement of these goals, the inflationary trend which had led to virtually insane national economic development was interrupted, this official said. He noted that this will result in to higher levels of investment of domestic and foreign capital which, beginning next year, will have the guarantees needed for the establishment of more industry.

He revealed that the assembly of high-fashion clothing may be initiated in our country. This would lead to the creation of new jobs requiring skilled manpower, which would provide good salaries for the workers.

Miron noted that many Guatemalans are risking their lives in an effort to reach the United States, where they hope to find job opportunities. As a result, the new policy of the government is designed to attract capital from North America and to create job opportunities here.

Honduras

Callejas Opens Corruption, Fraud Conference

PA2702225492 Tegucigalpa Voz de Honduras Network in Spanish 1450 GMT 27 Feb 92

[Statement by President Rafael Leonardo Callejas at the opening of the Second International Conference on Corruption and Fraud; in the Bella Vista Room of the Honduras Maya Hotel—live]

[Excerpts] Supreme Court of Justice Representative Nestor Chavarria, Comptroller General Teofilo Martel Cruz, Honorable Members of Congress, Messrs. Ministers, Director of Administrative Probity, special guests, ladies and gentlemen:

Arturo Uslar Pietri, one of Venezuela's top intellectuals, said recently that this is the best opportunity to save democracy. Corruption is like an illness. Everyone knows it exists, but no one does anything to wipe it out. This morning's event is of special significance because it gathers high-ranking officials of the three government branches to reflect and to listen to experiences on a topic of extraordinary importance for our social development. We meet today to inaugurate the Second International Conference on Corruption and Fraud, viewing corruption and fraud as the scourge of our current society in both the public and private sectors. [passage omitted]

We have proposed to the Republic's sovereign Congress a constitutional reform that would establish the mechanism, incorporating the Comptroller General's Office and the Office of Administrative Probity, to establish a commission to safeguard the national patrimony. This commission would include private citizens and represent the social, academic, and private sectors and would guarantee the behavior of elected officials. This commission should have an important legal basis and a much more far-reaching effect than the means currently available. The working principle is that once an official is reported, he must prove himself innocent. He is presumed guilty, and the state does not have to prove it because this would limit the government's actions.

I have requested, and I will do the same on other issues, that we agree on this topic. We cannot fight corruption without proper tools. I am sure all the Honduran people will see a profound change in attitude if an official is presumed guilty, on the basis of a simple report, until he proves himself innocent. I hope the country will join me in this effort.

I recognize that in every government, including ours, these acts take place. We should, however, avoid using the word corruption in an exclusively political context. Rather than help fight corruption, this causes confrontation between those who report corruption for political reasons and those who hold political power. We cannot allow this huge split to take place.

Events over these past days should make society reflect deeply. I promise the Honduran people I will lead the fight against corruption. I also ask the legislative and judicial branches to contribute to the search for legislative action to establish that before becoming a public official a person must establish his or her innocence. Otherwise we will not be able to establish whether or not applicants are corrupt.

Life shows us these measures are necessary. We must make this commitment. We need to instill in our national life the principles and morals we were taught at home. This is the most important fight. As Uslar Pietri says: This is the best opportunity to save democracy. Corruption is like an illness in society because everyone knows it exists, but no one does anything to wipe it out. [applause]

Callejas on Armed Forces Restructure, Reelection

PA2802003792 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 27 Feb 92

[Excerpts] President Leonardo Callejas was questioned on several issues of national interest, particularly on the current situation in the Armed Forces and the possible restructuring of this institution. We have here President Callejas.

[Begin recording] [Callejas] This is an internal Armed Forces problem that apparently has generated a great deal of media interest. The Armed Forces are in the process of internal reforms that are positive for the Honduran people and for that institution. When the time comes, it will make these reforms public. We understand [words indistinct] the Congress for the corresponding reforms. Currently, this issue is being discussed only inside the institution. Let me add that there are no problems inside the Armed Forces. We are trying to identify this dangerous speculation by some sectors. These sectors probably do not believe that democracy is the best alternative to govern a nation.

[Unidentified reporter] What about the meeting you held on 25 February with General Discua Elvir?

[Callejas] This meeting was one of many. I meet him every week to discuss Armed Forces issues. We discussed the groundless charges presented by the Farbundo Marti National Liberation Front with regard to the violation of their airspace by Honduran airplanes, which are totally false. There have not been any raids of any kind. No evidence of this exists, and we have reports on it.

[Reporter] A great deal is being said about the restructuring of the Armed Forces. What is you opinion?

[Callejas] I am going to analyze the Armed Forces issue. I have not made up my mind on this matter. I am going to analyze this because the reforms that may be suggested are very important to the nation. I cannot deal with this issue lightly, so right now I cannot give you my opinion.

[Reporter] What about the possible constitutional reforms that are being so widely debated to allow presidential reelection?

[Callejas] The Constitution can only be reformed by a constituent assembly. Even then, for fundamental articles of the Constitution, this is not allowed. This issue, however, is currently being debated in national political circles. All I can say is that, in my particular case, I respect the Constitution and its regulations. Despite what all the Liberal Party candidates are saying, I know I cannot be reelected. In fact, I know I can never be reelected. I know the president's responsibility is to fulfill his term of office and that is all. [passage omitted]

With regard to the suggestions by Celin Discua [National Party of Honduras Central Committee president], I will

advise him that the Constitution does not allow a president to be reelected. I will also advise him that the Constitutional reforms in this area are subject to national debate. The Constitution is very clear about this. I believethe country will have to look for other alternatives in the future, but this is not the appropriate time. [passage omitted] [end recording]

Discua Elvir Meets Callejas, Officers on Reforms

PA2702164792 Tegucigalpa EL HERALDO in Spanish 26 Feb 92 p 2

[Text] Division General Luis Alonso Discua Elvir, commander general of the Armed Forces, met on 25 February with President Rafael Leonardo Callejas to discuss issues related to the latest incidents that have taken place in the heart of the military institution.

Discua Elvir refused to disclose to the media the reason behind his visit to the executive branch headquarters. It was also not possible to get any news from the Presidency. It was disclosed unofficially that Discua Elvir had a very hectic day on 25 February, because he has begun a series of meetings with the officers allegedly involved in the so-called "General Jose Trinidad Cabanas" Revolutionary Movement.

The meetings are being conducted in stages, with all Armed Forces officers, as part of an information process Discua Elvir is conducting in his capacity as commander general. In that sense, Dicua Elvir met with the second lieutenants on 24 February and with the lieutenants on 25 February. He will meet with the captains on 27 February and will continue in this fashion throughout the week until he reaches the colonels.

The reason behind the meeting is to report on the reality of the objectives the high command is pursuing with the changes being made in the military structure. Discua Elvir was reportedly able, to some extent, to quiet the discontent prevailing in the minds of some of the officers as a result of the approaching changes.

Various sectors of Honduran society—especially political sectors—have been fighting for several years to abolish the Senior Council of the Armed Forces and to abolish the post of commander general. Many of those same sectors, however, are now opposed to the reforms being proposed with regard to that issue.

Consequently, the high military command does not rule out the possibility that the hands of some local politicians—politicians who are afraid of seeing a defense minister who is allied to the ruling party—may be behind the apocryphal communiques published on 22 February.

Reforms To Allow Presidential Reelection Viewed

PA2702222892 San Pedro Sula LA PRENSA in Spanish 27 Feb 92 p 4

[Text] Presidential appointee Jacobo Hernandez on 26 February disclosed that in mid-March, the Commission for the Modernization of the State may analyze Constitutional reforms to allow a former president to run for office again after a certain period. His remarks were circulated among official circles this week and triggered a controversy, with opposition groups calling the proposal unconstitutional.

Hernandez said the proposal does not have "anyone in particular in mind." Rather, the intent is to strengthen the democratic process, so it is certainly worth analyzing. Hondurans should learn from the experience of other Latin American democracies, he noted. The Honduran Constitution "is very rigid," Hernandez stressed, and the explicit prohibition against former presidents being reelected "is an error."

Hernandez considered the reform possible if an adequate mechanism is found. This mechanism would be a consensus among the political parties or through the Commission to Modernize the State, comprised of diverse sectors of Honduran society. The presidential appointee believes that opposition to the proposal is because of "very conservative ideas in the nation." The idea, he noted, is not for the current government to continue in power but rather for national reform.

Hernandez stated the issue will be discussed during the first meeting of the Commission to Modernize the State, to be held in mid- March. He made it clear that other reforms will be analyzed, noting "that several reforms will be presented, along with those proposed by commission members."

* Renegotiation of Debt With Mexico Reported

92CA0084C Mexico City EL FINANCIERO in Spanish 20 Jan 92 p 31

[Text] (EFE)—The government of Honduras has reached an agreement with Mexico on repayment, within 28 years and six months, of the debt of $53 million contracted by that Central American country during the last decade, it was announced yesterday.

Honduran Minister of Finance Benjamin Villanueva told EFE that payment of the debt will be guaranteed by United States treasury bonds, and he emphasized that the negotiations with Mexico have been excellent. That country has reiterated its desire to continue to support not only Honduras, but all of Central America, as well.

The $53 million was lent to the government of Honduras by means of various credit lines during the two administrations which governed the country between 1982 and January 1990.

The negotiations reached a formal conclusion during a meeting held in Tegucigalpa last Saturday. The participants included the members of a Mexican mission and officials representing the Honduran Ministry of Foreign Affairs and Ministry of Finance and the Central Bank of Honduras.

Mexico, along with Venezuela, supplies Honduras with oil in accordance with the San Jose Agreement, which governs the supply of energy products to Central American and Caribbean countries by the two nations. Of the total oil invoice, 20 percent is allocated to development projects in the countries which are benefiting from the agreement.

In another connection, President Rafael Callejas of Honduras will arrive in Mexico today for an official visit scheduled to end tomorrow. During the course of his visit, he will sign a number of cooperation agreements with the Mexican chief of state, Carlos Salinas de Gortari.

Nicaragua

FSLN Applies To Join Socialist International

PA2802152292 Managua EL NUEVO DIARIO in Spanish 27 Feb 92 p 2

[Report by Edgard Barberena]

[Text] One of the leaders of the National Workers Front (FNT) on 26 February supported the Sandinist National Liberation Front (FSLN) National Directorate's decision to apply to become a full member in Socialist International (SI), a political organization comprising many political parties in the world.

FNT leader Damaso Vargas publicly expressed his support to FSLN Secretary General Daniel Ortega Saavedra, who made the request during a meeting with Spanish Prime Minister Felipe Gonzalez, one of the SI vice presidents. Vargas did not rule out the possibility that various opinion groups will emerge within and outside the Sandinist rank and file, criticizing the Sandinist directorate's decision to request the FSLN's full membership in the SI after participating as an observer for several years.

Seeking International Participation

Vargas said that seeking international political participation "is good, and in this case the FSLN, particularly the National Directorate which made the decision to join the SI." [sentence as published]

"My opinion reflects the general concept that prevails among unions." "Some of the organizations affiliated with the FNT belong to international labor federations having different ideological backgrounds."

The UNE—National Union of Employees—headed by Jose Angel Bermudez—is affiliated with the International Union of Public Employees, which in turn is affiliated with the CIOSL [International Conference of Free Trade Union Organizations]. CIOSL is recognized as an organization and includes among others, European unions that follow the social democratic line.

"Basically, I believe what is being sought is international political participation to legitimize a policy. As the SI is recognized as one of the most advanced international organizations in the area of social policies, I believe it was a good decision to obtain political participation at the international level.

Discussions

In another part of the interview, Vargas said there will always be discussions, "although they may be a waste of time." He added: "In any event, I believe the discussion on the subject of the SI should be aimed at evaluating if the decision will help the FSLN maintain the international recognition it has always had."

"I believe the members of the party (militants and active members, not those who were expelled from the Sandinist ranks) must decide if this affiliation is necessary.

Another Opinion

Nathan Sevilla, one of the 39 FSLN legislators, said the FSLN entrance into the SI "is a subject being discussed within the Sandinist ranks, and as the FSLN has been linked to the SI as an observer, the subject is not really new."

Obviously, this status (becoming a full SI member) can bring great benefits, as long as it will not mean changing our national concepts in accordance with Sandinist principles, maintaining those principles, and developing those principles under new conditions."

Sevilla said that if the FSLN joins the SI, "It does not mean we must abandon our principles, as LA PRENSA and some of its columnists have said."

"This matter is under discussion within the FSLN, and will have to be studied at the Sandinist Assembly, where the pros and cons of this step must be reviewed," Sevilla stressed.

What Is Left To Be Done

Sevilla added that what is left to be done now is conducting an internal debate, because there has been much public debate on the subject. He added, "Although this point has not been subject to a strong public debate, I believe it must be discussed within established FSLN bodies, such as the Sandinist Assembly and the National Directorate, so that a consensus can be reached on the conditions under which we will join the SI."

FSLN Legislator Luis Enrique Figueroa briefly referred to the subject, saying that before requesting the party's official entrance in the SI, FSLN Secretary General Daniel Ortega "should have consulted the members of the Sandinist Assembly."

Several FSLN deputies have expressed their position in favor of the FSLN becoming a full SI member. One of them is Ray Hooker Taylor, an expert in FSLN international relations.

Ortega Comments on Application

PA2802021392 Managua BARRICADA in Spanish 27 Feb 92 pp 1, 12

[Report by Nohelia Gonzalez]

[Text] Commander Daniel Ortega Saavedra, secretary general of the FSLN [Sandinist National Liberation Front], said the present government is violating the Concerted Agreements by not respecting the workers' right to 25 percent ownership in newly private businesses and through police repression, high unemployment levels, and indiscriminate evictions.

Ortega, who returned 26 February from Spain, was the main speaker at a ceremony to commemorate the 14th anniversary of the fall in combat of Camilo Ortega Saavedra, Arnoldo Quant, and Moises Rivera, and of the Monimbo peoples' historical struggle.

Commander Ortega spoke about the FSLN's recent request to join the Socialist International [SI]. He noted, "It is important for the Sandinist Front to acquire a new level of relations" with the SI, an organization with which it has maintained ties since 1968. Ortega said: "This is nothing new."

The ceremony took place in the area known as "Los Sabogales" in the Monimbo neighborhood, in the presence of hundreds of neighborhood residents. This should not be understood as a "rejection" of the FSLN's revolutionary proposal, and "when we speak about looking for new levels in our relationship with the SI, we do so in the anti-imperialist spirit of the agreements reached at the FSLN's First Congress and of the revolutionary proposals we continue to defend."

Ortega noted that the SI has the last word: "We are talking about a process; we must remember we are talking about political battles." He added that it is necessary to stress the FSLN's relations with international associations such as the Permanent Conference of Latin American Political Parties and the San Paulo Group in the effort to create an international struggle front.

Ortega noted that Nicaragua's situation has improved with the FSLN's support. He cited as points of improvement the end of the war, which called for the Patriotic Military Service, international aid, renegotiation of the foreign debt in terms favorable to Nicaragua, the concerted effort, the disarmament of counterrevolutionaries, and the recontra and recompa disarmament.

He called on the Nicaraguan people to unite to "fight unemployment, hunger, the lack of land, for better health conditions, for education, and for Nicaragua to be free and democratic."

Msgr. Jose Arias Caldera, Father Miguel D'Escoto, and Sandinist Deputy William Ramirez, and the mothers of the 26 February 1978 martyrs were among those present at the ceremony.

Moran, Lieutenants Remain in Managua

PA2702183092 Managua Radio Catolica in Spanish 1100 GMT 27 Feb 92

[Text] Jose Angel Moran, Commander Indomable, is in Managua. He has not traveled to the United States. Radio Catolica's "El Despertar" program held an exclusive interview with him. He is staying at a safe house with 14 bodyguards. Indomable, who fears an attack on his life at any moment, says the government has not fulfilled its promises.

Indomable says: I have spent over 16 days pent up in this house, unable to fulfill my desire to leave this country, where my life is in jeopardy.

Indomable is accompanied by his lieutenants Estrella and Somotillo. You may remember Somotillo, who fractured an arm and a leg during one of Indomable's earliest clashes. He will travel to the United States with Indomable.

Indomable has complained to Government Minister Carlos Hurtado that the government is not fulfilling its promises to the rebels who surrendered their weapons. He says this is not the way to achieve peace.

* Borge Reflects on Status, Future of FSLN

* Comments on Medal

92CA0088A Managua EL NUEVO DIARIO in Spanish 27 Jan 92 p 4

[Speech by Sandinist National Liberation Front Commander Tomas Borge in the Enrique Gutierrez Barrio in Managua on 26 January]

[Text] Our memory of the last Christmas is still intact: lights and embraces, struggles and hopes all came together during those days to rekindle our faith in the destiny of the nation, in its ability to find once again the paths of glory, prosperity, and a peace unblemished by bloodstains or festering wounds.

Our people, imaginative, happy, and long-suffering, have that right, which they earned with dignity, generosity, and valor. We promise those people, and above all our great Sandinist family, a year of reconciliation and combat, a year of national unity and unity within the ranks of the Sandinist National Liberation Front (FSLN).

Within the framework of this optimism, it becomes necessary to analyze and reflect in a timely and mature manner. In 1990 and 1991, we Sandinists opened the floodgates of debate. In a true revolutionary spirit, we allowed the public to witness our examination of our strengths and weaknesses; and we also suspended the struggle in defense of the revolutionary conquests.

But we need to make still more progress on internal harmony, on the development and consolidation of a

coherent organic program. We appointed a general secretary, a treasurer, a chief of the Sandinist legislative delegation. We have also distributed other functions, on a provisional basis, with regard to party organization, dealing with the mass organizations, and the Atlantic coast. To complete the plan, we must still decide how to deal with the territories and devise an up-to-date and systematic program of international relations.

At this juncture, all revolutionary leaders must accept the functions assigned to them with a serious attitude and a spirit of unity, rejecting any appetite for egotism, arrogance, and messianism. In particular, we must reject the obsolete notion that we were chosen by the gods, the masters of immortal truths.

The Year of Maturity and Unity

Now, as never before, it will be necessary for each national, intermediate, and grassroots leader to set a daily example. Fraternity, mutual respect, solidarity, and a constructive spirit are more important than ever in the heart of our great revolutionary family.

We Sandinists must assume our responsibilities in the geopolitical reshuffling of the world, and in our own universe. We must be true to our revolutionary principles and not allow the new circumstances to take us by surprise, since they are not at all unrelated to the laws of historical development.

This year, therefore, will be a year of maturity and unity, internal unity, on which our national stability depends in large measure. To this unity is linked, like blood to arteries, the future of our fatherland, the future of the Revolution; and it must be protected and cultivated as a primary element in the survival of the FSLN.

In this connection, the errors, conceptual divergences, and tactical and strategic decisions should underline the fundamental objective: the unity of revolutionaries and Nicaraguan patriots around a national program that will free us from our bonds, our backwardness, poverty, and cultural deformity.

We have disagreed among ourselves about how we should confront our adversaries; at the same time, debating every issue, the nuances and the doubts, the way to attack every new development, the suspicions and the mistrust, we have reached fundamental consensuses. In general, we have managed to maintain cohesion and unity.

In no way will we allow that unity and coherence to be put at risk. Thus, we must appeal, and we are appealing, to our maturity, to our ability to control our passions, and to our modesty. We will be intolerant only of intolerance. Defending unity comes first, and consequently, it must be the first of our principles.

It is within this context that we must view the awarding of the Camilo Ortega Medal, the highest honor given by the Sandinist Popular Army (EPS), to the American military attache, a decision made by our brother Humberto Ortega, the historic combatant.

The Joy of Our Enemies

At that time, I was in Mexico, attending the activities celebrating the signing of the peace accord between the Salvadoran revolutionaries and their country's government. And when I was informed of the event, I did not want to express an opinion (our brother Daniel Ortega had the same attitude), more out of prudence than for lack of information on which to base a judgment. I felt—and I am using the singular form, because Daniel and I did not see each other after the medal was awarded—that the correct thing to do was to discuss the constrasting viewpoints on this decision within the confines of the National Directorate.

After I arrived in Managua, I read with concern the many letters and statements that were published, especially in the Sandinist media, expressing everything from reasoned judgments to rash words and outright insults. I was then certain of the tremendous anxiety felt by our brothers, and of the unconcealable joy of our enemies.

I, who once said that Camilo Ortega was the Apostle of Unity, because of his contributions to make the FSLN a single, unique entity, and that he was generous and fraternal, sadly realized that if we Sandinists were not careful, his generous memory could be turned into a pretext for divisiveness, much to the satisfaction of the Somocists of yesterday and today.

I thought long and hard about the matter, and I reached the conclusion that it would be better to channel our concern into discussions and agreements and turn the joy of our adversaries—the adversaries of Nicaragua and the revolution—into rage and disappointment.

Humberto Ortega may have been wrong; he may have committed a political error. Every one of us has been wrong and has committed political errors. When I was interior minister, I was wrong a few times, and I made political errors. Each and every one of us has been criticized for our flaws, on more than one occasion, within the National Directorate.

Perhaps the National Directorate, more than any other body of the FSLN, has practiced a severe and persistent criticism and self-criticism. Sometimes we have even been unfair, excessive. But in general, that custom has been positive, as it turned into a mechanism for containing arrogance, one of the vices of power.

We Have Known Humberto for Decades

In awarding the Camilo Ortega Medal to an American officer, Humberto may have committed a political error. If he did so, would it be a strategic error? Does this devalue him as a revolutionary forever? Not only in the name of truth, but also for the sake of historic justice, we must answer no to these questions.

We have known him for decades, and we can assert that Humberto Ortega was and remains a patriot, a revolutionary. A man who is not only interested in the future of Nicaragua, but also an internationalist. He contributed, without ostentation, as I said in Mexico prior to this incident, to the positive outcome of the Salvadoran conflict.

Furthermore, we face the need to maintain intact the prestige and authority of the EPS, an indispensable instrument for the country's stability. Because this army emerged from the core of the revolution, it is patriotic, nationalistic, and law-abiding.

Other irreproachable, revolutionary comrades have expressed their views on the matter in public. As a result, Humberto himself responded, in my opinion a little too impulsively and uncharitably. And our press gave too much space, excessive coverage to the issue.

This controversy has even allowed a deserter from the revolutionary ideology to write, in the pages of LA PRENSA, that a level-headed and loyal revolutionary leader, Luis Carrion, was a reactionary, just like the other comrades who adopted his point of view.

If We Are Wise, Put It Behind Us

Until a short time ago, the most combative sectors of the FSLN were called "radicals of the left" by this same gentleman, and now he calls them "reactionaries." Of course, this renegade of Marxism-Leninism, now converted to spokesman for the revanchist anti-Sandinist movement, like Yeltsin and Bush and all the ideological retards of the world, considers himself a revolutionary.... How the language is distorted by those who pass out corn liquor at the banquet of the ultraright!

In EL NUEVO DIARIO, another gentleman seized the opportunity to deny the entire revolutionary effort, making unilateral apologies that do nothing to resolve the issue. Anyway, if there is any lesson to be learned from all of this, we have already learned it. Therefore, if we are wise, the thing to do is put this controversy behind us; it only benefits our enemies.

We Have More Important Things to Discuss

In short, we Sandinists have more important things to discuss: deliberating long hours on tactics and strategy, among other things; emphasizing the role of our organization as a whole as well as that of each component of it; and finding clear answers to the political questions posed by a party like ours, which wants to serve as a constructive opposition to the current government.

We Sandinists must resume our active role, aware that we are more than a political party organized to win elections; we are a historic response, an attitude toward life, a new way of being Nicaraguan.

Moreover, we must achieve a global view of the impact the latest developments in the world will have on the progress of humankind, and we must reaffirm our ideological principles, one of which continues to be anti-imperialism.

In today's world, which is characterized by the United States' unipolar power, already in obvious decline; in this world where not only did the Berlin Wall come tumbling down, but so did the humanity of a Mr. Bush, overwhelmed by the inevitable collapse of his arrogant economy; in this world, confronting expansionism and aggression is an obligation that cannot be shirked.

National Dignity and Solidarity

The struggle against the lack of respect for nations, against the denial of sovereignty, continues and will continue. To ensure that the coming generations will be in command of the kingdom of justice, equity, and respect, and to guarantee that solidarity will be an essential element of the code of human relations, we must continue struggling.

Our anti-imperialism is a search for national dignity, a defense of popular conquests, solidarity with Cuba and its right to determine the avenues of its social revolution; it is the denial of backwardness, dependency, Balkanization; it is even an effort to build a cordial, nonsubordinate, honorable, and constructive relationship with the United States Government.

Flexibility and Firmness

The support of the United States for the peace process in El Salvador in the final chapter was a victory for anti-imperialism. The day that the United States abandons its anti-historical scheme to be our masters is the day it ceases being the enemy of humankind, the day imperialism ceases to exist. The principal beneficiary of that culminating moment will be the American people.

In the search for that fitting objective, there are those who think we should make substantive efforts. And that would be appropriate, as long as these efforts do not lead us to renounce our abiding principles. I am of the opinion that, as far as relations with the United States are concerned, we must discuss everything down to the finest nuance, and we must combine flexibility and firmness in an intelligent way.

Associate the Fatherland with Life

Among the FSLN's priorities (and it must determine precisely what the limits of flexibility are, how far the sanctity of revolutionary principles goes) is the design of a plan of action. This plan should include not only the appointment of territorial leaders, but also the tasks that social demands and the present circumstances entail.

In the plan to consolidate peace, we must have clear policies on the phenomenon of recontras [former contras who have rearmed] and recompas [former EPS soldiers who have rearmed]. All of them must be led down the

path of national harmony, bearing in mind their specific demands. As for the recontras, we must stand firm in denouncing their crimes.

Our brother recompas, whose demands are often heard less than those of the recontras, must immediately join the peace process. We must respond to it with at least as much interest as has been devoted to the recontras. An effective and prompt solution must be found to the complaints that the former combatants of the EPS and the Ministry of the Interior (Mint) are filing with the government.

We must devote ourselves to substantive tasks such as this, rather than to internal quarrels that may be more or less understandable, but are secondary, trivial. With historic modesty, without undue pride, united in a close embrace, with our heads cool in fact, but with our hearts like a volcano, spewing forth the lava of revolutionary passion, we must continue struggling to win the society of the just, a society where it will no longer be necessary, as it is today, to associate the fatherland with death, but rather with life.

Long live the unity of the Sandinist Front!

Free fatherland or death!

* U.S. Policy Viewed

92CA0088B Managua EL NUEVO DIARIO in Spanish 29 Jan 92 p 4

[Commentary by Francisco Bravo Lacayo]

[Text] We agree with the appeal by Commander Tomas Borge for Sandinists to maintain their good sense and maturity in connection with the storm unleashed by General Humberto Ortega's decision to give an award to a high-ranking American military officer.

We do not want to throw more fuel on the fire. We just want to say that at the heart of the discussion lies the problem of present and future relations between the Sandinist Front and the United States, between the third world and the mother country.

Those who are in favor of awarding the medal argue that the situation is new and that the problem should therefore be approached differently, not in a confrontational manner but rather in a pragmatic and—why not?—friendly manner.

There is nothing new about this proposal, fundamentally. We have already said that revolutionaries have always sought and desired a respectful, fair, and friendly relationship with the great North American power, and that it is the Yankee governments themselves that have sabotaged this effort by treating our countries in a neocolonial fashion and, finally, by resorting to armed intervention.

In global terms, the United States has not renounced its hegemonistic policy; rather, it has reaffirmed and confirmed this policy with the collapse of the countries in Eastern Europe. Iraq is a bloody example, not to mention the threats of intervention against Libya and Cuba, what with the brutal blockade, which is a form of repeated intervention.

We will not deny that, both in Nicaragua and in El Salvador, its policy has had a variation which turned out somewhat favorably for our people. Here and there, there was a stalemate because, although we clearly defeated them militarily, on the other hand we were defeated in the elections, with ambivalent results for both sides amid a struggle to put a positive spin on the results to favor one side or the other. In El Salvador, the war ended because it was impossible for either of the competing forces to win a definitive victory, and now a process that is somewhat similar to Nicaragua's has begun.

How will all of this end? We do not know. But we must make it clear that the enemy's nature has not changed, and therefore we cannot let down our guard. We must not be obdurate, but neither must we be trusting.

The Sandinist Front should act in accordance with reality and be objective so that it does not make a mistake, but it should not lose its revolutionary identity.

* Borge Speech Praised

92CA0088C Managua EL NUEVO DIARIO in Spanish 29 Jan 92 p 4

[Commentary by Ramiro Rodriguez]

[Text] We have followed with interest the debate on the medal awarded to the American Quin. We have found opinions both in disagreement and in agreement with the award; of course, the happiest and most enthusiastic reactions come from the right and from erstwhile socialists who today are acolytes of the Cesars.

These diverse opinions cry out for reflection. Depending on whose opinion we are reading, we may reach conclusions that lead us, especially those of us who are Sandinist activists, to think of an internal polarization. And we run the risk—indeed, it is already happening—of being carried away by our passions.

Small wonder. Anyone can see this by comparing the opinions of Sandinist leaders and grassroots activists. The speeches and writings reflect radical positions.

We do not think the medal should have been awarded to Quin, nor do we think the discussion should be held behind closed doors within the Sandinist National Liberation Front (FSLN). On the contrary, we should stimulate the debate, seeking to improve communication with our people, to refine the party's structures, and to maintain unity.

In this regard, the speech given by Commander Tomas Borge in the Enrique Gutierrez Barrio played an important role. First, and this is of great importance, we must understand that "the Front is an attitude in life." And to reach the full measure of this assertion, one should be above all revolutionary, as well as critical and self-critical, fraternal, devoted, and "constructive."

Secondly, we must heighten awareness of the revolutionary being. We must apply revolutionary theory at all times and combine it in the complex world of our national reality.

From now on, we must understand the role that the party, as a revolutionary organization, should play in the social transformation.

And Commander Borge, as a Sandinist leader and founder of the Sandinist National Liberation Front (FSLN), told us in a balanced speech what path we should follow at this juncture. In a crystal clear way, he called upon us to do battle against our political enemies, and we will do so, to the extent that our debates focus on the immediate tasks of the FSLN.

He also called upon us to strengthen unity, to define the tactics and strategy for facing the future of our Nicaragua with positive attitudes. He invited us to create life, to be carriers of the virus of joy, cohesion, and revolutionary enthusiasm.

Therefore, our energies and enthusiasms should focus on the "substantive tasks," on seeking to improve the alternative program that we, as the FSLN, offer to our people.

We must project an internal structure capable of putting each leader in the place where he or she belongs in order to unite the FSLN, which means to unite the people.

Bravo for that voice of encouragement and guidance that Commander Borge has left us. We hope that others will follow his example, and that the unity that is forged will shake the foundations of the nation and of the Sandinists.

Our unity must be singular, monolithic, and above all, real.

We are and always will be anti-imperialists. We must hold high our ideological principles and not give in to utopias. We will not give up on having a more just and honorable future, with jobs and bread for all. A future bearing the stamp of peace, a peace that we seek, on which our happiness rests.

Therein lies the challenge. It is up to us Sandinists to accept it.

Panama

Bomb Planted To Protest U.S. Troops in Carnival

PA2802023392 Panama City ACAN in Spanish 0112 GMT 28 Feb 92

[Excerpts] Panama City, 27 Feb (ACAN-EFE)—A bomb planted by the Panamanian subversive group M-20 [20 December Movement] was defused by bomb experts today near the ACAN-EFE news agency office in the Panamanian capital.

The police cordoned off the street where the agency is located and defused the bomb. A police spokesperson said the box containing the bomb had a sign that read: Danger—Time Bomb. The box, which contained a pipe bomb and a timing mechanism, was removed by policemen.

A man who identified himself as an M-20 member called the office of the ACAN news agency, associated with the Spanish EFE news agency, to announce that a bomb had been placed on the street a few meters from the news agency. [passage omitted]

The box containing the bomb was found with a stack of leaflets with an M-20 proclamation criticizing the government for "violating" sovereignty, as is implied by the alleged participation of U.S. troops in the carnival festivities next week. The authorities have denied any such participation.

The M-20 warned in a proclamation that if the U.S. military presence—10,000 troops on the banks of the Panama Canal—in the carnival is not suspended, it will implement a "sovereignty operation." It gave no details about this operation.

M-20 Claims Responsibility

PA2802012492 Panama City Circuito RPC Television in Spanish 2300 GMT 27 Feb 92

[Text] The M-20 [20 December Movement] claimed responsibility on 27 February for planting a pipe bomb on Via Argentina. Several communiques signed by the alleged subversive group were left alongside the explosive device. The pipe bomb had been placed in a toolbox and was found on Via Argentina at approximately 1600, between the newspaper EL SIGLO and the ACAN-EFE news agency. Balbino Rivera, a passerby, notified the authorities.

[Begin Rivera recording] I saw a box and thought that an empty toolbox had been left there. When I got close, I saw that it had a sign that read: Danger, Time Bomb. I advised the secretary of ACAN-EFE to call the PTJ [Judicial Technical Police] and those in charge of defusing bombs. She called, and as she was doing so, ACAN-EFE received a call that there was a bomb on Via Argentina. [end recording]

The box contained several communiques signed by M-20, which voiced this group's discontent with the participation of the U.S. Southern Command in the carnival festivities. National Police troops evacuated the area and removed the box with the pipe bomb to later defuse it. It is the responsibility of all Panamanians to strongly repudiate this type of violence that is at the threshold of chaos. The instability that some individuals seek to create in the nation cannot, and must not, find an echo among Panamanians. On the contrary, its masterminds and instigators deserve not only the repudiation of the citizens, but exemplary sanctions. It is up to the security organizations to carry out the pertinent investigations to place the culprits behind bars.

Foreign Ministry Complaint on U.S. Tuna Embargo

PA2702172792 Panama City EL PANAMA AMERICA in Spanish 27 Feb 92 p 1-A

[Text] Panamanian Commerce and Industry Minister Roberto Alfaro has reported that the Panamanian Government, through the Foreign Ministry, filed a complaint at the U.S. State Department in an effort to get the embargo lifted that the United States has imposed on tuna this year.

The United States has imposed an embargo on tuna from several Latin American countries, claiming that thousands of dolphins are sacrificed in the process of tuna fishing, thus violating international agreements for the protection of species in danger of extinction.

Panama was included in the embargo when the measure was extended to countries being used to ship and store the product. It is estimated that the country will lose between 50 and 60 million balboas if the measure is not lifted.

The minister explained that Panama has fulfilled all of the commitments established in the agreements with regard to tuna. This is why the pertinent consultations have begun to reinstate the country's status as an exporter. Alfaro added that an executive decree was issued in 1991 prohibiting the capture of tuna swimming over dolphins.

Panama exports most of its tuna to the EEC, which has also embargoed all Panamanian seafood because Panamanian flagged ships fish in the territorial waters of several European countries. This amounts to a 5 million balboa loss.

Arias Urges Formation of Canal Regulatory Group

PA2702171392 Panama City LA PRENSA in Spanish 27 Feb 92 p 32a

[By Elio A. Rujano M.]

[Text] First Vice President Ricardo Arias Calderon has stated that the Panama Canal will revert to Panama in only eight years and 11 months and that the government has been delaying the organization of a regulatory body for the interoceanic waterway.

Arias Calderon, who is also the Christian Democratic Party (PDC) president, asserted that transferring the administration of the canal to Panama in 1999 should be carried out peacefully and without upheavals, so the canal can continue to operate normally. One of the remaining tasks is to establish a Panamanian organization to regulate and manage the Panama Canal. Arias Calderon said the administration of the canal should not be privatized, but it is possible other services would be privatized after 2000.

The canal administration cannot be privatized because it is essential for the improvement and development of the Panamanian state. "The responsibility of administering the canal can only be assumed by the Panamanian state," he added.

"Panama has the capacity" to manage the canal, the Christian Democratic leader asserted when referring to the 89 percent Panamanian labor force currently working with the canal.

The administrative career service system based on merit and high wages, which is currently used with canal employees, has ensured the efficient and trustworthy services of the Panamanian employee.

We must be willing to maintain these working conditions and to make a national commitment in this respect, so that we can attract the most qualified Panamanians to work for the organization, the PDC president stated. "Getting the canal totally under Panamanian control is the only commitment compatible with the advancement of the Panamanian nation."

Arias Calderon stressed that there can be no going back on the Torrijos-Carter Treaties signed in 1977.

Argentina

Menem Denies al-Qadhdhafi Funded Campaign

PY2702163092 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 27 Feb 92

[Text] President Carlos Menem categorically denied today the report that Libyan leader Mu'ammar al-Qadhdhafi contributed money to his electoral campaign in 1988.

Let us recall that this information was published in one of today's dailies and was attributed to Mario Rotundo. When Menem was asked why Rotundo made that comment, Menem said: quote, I presume because this man is one of the many individuals separated from the government, unquote.

Talks Begin With UK on Falklands Islands

PY2802005892 Buenos Aires BUENOS AIRES HERALD in English 27 Feb 92 p 1

[Text] (DYN-NA)—Argentine and British diplomats began yesterday a three-day round of talks to analyze the possibility of the co-operation by both countries in the exploitation and exploration of oil around the Malvinas Islands.

The talks currently being held at the Foreign Ministry are the result of an agreement released in a joint communique on December 9, 1991.

During the meeting the diplomats led by Foreign Policy Director-General Fernando Petrella and British Foreign Office Latin American Undersecretary Adrian Beamish will also study the implications of a number of bills announced by each country on the future of the area.

Petrella—whose delegation includes Malvinas, South Atlantic and Antarctica Director Jose Maria Otegui and Legal Councillor Alberto Dalvedere—told reporters: "There's confidence that we can achieve joint co-operation with Great Britain" in oil related matters.

After underlining that the preliminary round of meetings on the subject was held in London last year, Petrella added: "There are good perspectives for achieving joint action on hydrocarbons."

Petrella said that "this is very important at a time when there are closer links between Great Britain and (the rest) of Europe."

A Foreign Ministry source stated that "the Argentine delegation hopes that when the meeting concludes, the co-operation mechanism on the prospection and exploitation of hydrocarbons through the intervention of companies from both countries are established or at least on their way" to being decided.

Neither Beamish nor the other high-ranking member of the British delegation, the Foreign Office's South Atlantic Area Director Merrick Baker-Bates, made any comments during the first day of talks.

Meanwhile Argentine Ambassador at London Mario Campora stated yesterday that the "link of the Malvinas Islands with the (South American) continent is a necessity" for the islanders. Campora added that the inhabitants of the Malvinas "had already requested it from Argentina's neighbours."

The ambassador made the comments after sources said that Uruguay's Pluna airlines would start to schedule flights between the Malvinas and Montevideo.

Campora stated that the possible link is part of an "integration process which will continue in an unrelenting way. The islands wish to have an air and sea link with the continent."

Campora stressed that "in the near future this integration will start developing with our country because it is determined by an unstoppable force of the international process."

They (the Malvinas) have no other destiny than having links with our country and joining Argentina through an integration process which will develop in time." [quotation marks as published]

Negotiations With UK Fail

PY2802131492 Buenos Aires TELAM in Spanish 0228 GMT 28 Feb 92

[Text] Buenos Aires, 27 Feb (TELAM)—The Argentine and British Foreign Ministries issued a joint communique this afternoon to report that Argentina and Great Britain have failed to reach an agreement on oil cooperation at the Malvinas Islands platforms.

The communique states that the high-level Argentine-British delegations "agreed to meet again in London in late June."

Diplomatic sources reported the negotiations scheduled to end tomorrow concluded today because of the first meeting's poor results.

Although the Foreign Ministry did not disclose the reasons for the unsuccessful negotiations, it has been reported that this was the first meeting in which a major issue was discussed and that no substantial progress could be expected.

The official communique says: "The meeting was held in a cordial atmosphere where the parties exchanged opinions and information, and analyzed the possibilities of cooperating in matters dealing with their respective legislative measures regarding the main land platform in the southwestern Atlantic area."

The communique adds that "the two delegations will report the meeting's results to their respective governments."

The meeting was held on the basis of the sovereignty of the Malvinas Islands, South Georgia, South Sandwich, and the surrounding maritime areas agreed to by the two governments in October 1989.

The talks [words indistinct] oil cooperation by the diplomatic representatives that ended today at San Martin Palace and in which no agreement was reached, were the diplomatic relations established two years ago.

The Argentine delegation was made up of Fernando Petrella, Foreign Ministry foreign policy director general; Jose Maria Otegui, director of Malvinas and South Atlantic Affairs; and legal adviser Alberto Daverede.

The British delegation included Adrian Beamish, Foreign Office assistant under secretary for Latin American affairs; and Merrick Baker, director of South Atlantic Affairs.

After the meeting, members of the two delegations went to the Argentine Foreign Ministry, where they held a brief protocol meeting with Foreign Minister Guido Di Tella in his 14th-floor office.

Brazil

Agreement Signed With Paris Club on Debt

PY2702133092 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 27 Feb 92

[Text] The Brazilian Government has signed an agreement with the Paris Club for the renegotiation of the foreign debt with creditor countries. The payment of the main portion of the debt will be made in 14 years. The interest rates will be agreed upon with the governments of the countries involved.

According to the agreement reached on 26 February, of the $13.5 billion of the foreign debt to be paid in 1992 and 1993, Brazil will pay $4.6 billion, and the remaining $9.4 billion [figures as heard] will be paid in 14 years with a grace period. The interest rates and the number of installments will be decided upon in bilateral agreements with the official banks.

Economy Minister Marcilio Marques Moreira said the agreement represents a relief in the payments to be made during the crucial years of the economic stabilization plan implemented by the government.

[Begin Marques recording] The agreement represents for the country's economy a relief in the payments to be made, especially during the next two years—which are the crucial years for our stabilization program. We are going to try to stabilize the economy in 1992; it will be a year of changes. Regarding 1993, it will be a year for the consolidation of the stabilization program and the beginning of growth. [end recording]

The next step for the Brazilian Government will be to reach an agreement on the foreign debt with private banks. For this purpose, Minister Marques Moreira will travel to the United States next week to begin negotiations.

Collor 'Very Satisfied'

PY2702183792 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 27 Feb 92

[Text] A few minutes ago, President Collor said that he is very satisfied with the agreement reached with the Paris Club.

[Begin Collor recording] I believe that this negotiation will open the doors for new investments, new financing, and the consolidation of our relations with the international financial community. [end recording]

Officials Comment

[Speakers identified by screen caption]

PY2802142792 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 27 Feb 92

[Text] Brazilian Economy Minister Marcilio Marques Moreira explained to the Senate the scope of the agreement reached with the Paris Club to renegotiate Brazil's foreign debt .

[Begin recording] [Reporter Monica Waldvogel from Brasilia] Brazil will pay $11 billion over the next 14 years, with a grace period of three years. Between 1992 and 1993, Brazil will have to pay $4.1 billion to cover overdue payments.

[Senator Fernando Cardoso] This is a very heavy burden that can be dealt with only if investments come along, only if there is a decision to begin reactivating our economy with the help of foreign capital. This is what I asked the minister about.

[Waldvogel] Since the agreement must be approved unanimously by the Senate, the minister had to guarantee that Brazil will be able to make the payments.

[Marques] Nobody opens up a negotiation offering all they can give. We can easily handle the figure in question in terms of both fiscal and exchange policies.

[President Fernando Collor] I believe this agreement has opened the doors for new investments, new funds. It also will shore up our links with the international financial community. [end recording]

After three days of negotiations with the Paris Club, Central Bank President Francisco Gros commented on the next foreign challenge: Brazil's debt to private international banks.

[Begin recording] [Reporter Silio Boccanera] How will this new situation affect negotiations with private banks? What are the prospects?

[Gros] I believe that the main objectives in the international arena have been attained—that is, the renegotiations with the IMF and the Paris Club. Now we must continue our efforts to reinstate Brazil as a full-fledged member of the international community. The negotiations with the private banks are a very important component of this effort.

[Commentator Joelmir Beting] Undoubtedly, the agreement is favorable to Brazil. The creditor governments wanted Brazil to pay $13 billion in the next 24 months, overdue interest included. Now they will get $4 billion. Brazil will pay the rest over 14 years, with a grace period of three years. Furthermore, the agreement with the Paris Club, in the wake of IMF's green light, will expedite negotiations with the private banks. These negotiations will begin in earnest just as carnival opens in Brazil. Minister Marques Moreira is leaving for New York on 28 February. Have a nice trip, minister. [end recording]

Collor Signs Decree Rescheduling State Debt

PY2702152892 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 27 Feb 92

[Text] President Fernando Collor has signed a decree regulating the rescheduling of the debt of the states and federal district with the union.

The decree establishes 20 years for the payments, which will be made in 80 quarterly installments at a yearly interest rate of 6 percent. The contracts must be signed the first working day of each month until this June. After the refinancing of the debt has been signed, the states and municipalities are prohibited from issuing public debt securities except by court order. The federal government also is not going to refinance the working capital debts or debts of the National Institute of Social Security, INSS, and the Unemployment Compensation Fund, FGTS.

Collor Approves Budget Passed by Congress

PY2802155692 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 28 Feb 92

[Text] President Fernando Collor has fully approved the budget bill passed by Congress, but reserved some money for public accounts, as was promised to the IMF. Funds also were reserved for the government's priority programs, including the CEAC [Integrated Center for Assistance to Children] and agrarian reform. Anything left from the revenues will be distributed to the ministries every quarter, so that each institution can decide for itself how the money will be spent.

Planning Secretary Pedro Parente has stated that it is not possible to maintain the budget the way it was approved by deputies and senators. The executive branch proposed 5.1 trillion cruzeiros, but Congress proposes 8.1 trillion cruzeiros.

* Speculation Abounds on State of Collor's Health

92SM0283A Sao Paulo VEJA in Portuguese 12 Feb 92 pp 18-20

[Text] Hired for 35 million votes to cure this country of a chronic illness, inflation, President Fernando Collor spread an epidemic of suspense and concern around the country last week. On Wednesday, Collor did not leave his home at Casa da Dinda. Spokesman Claudio Humberto Rosa e Silva insisted that the president spent the day working in the office at his residence, making phone calls and sending messages via fax. To no avail—the rumor mill was working overtime. According to the most soothing of the reports, disseminated by Minister of Social Action Ricardo Fiuza, the president had "a really terrible grippe." Other speculations about Collor's health, suggestions as convoluted as they were fanciful, circulated all over the country and even caused prices to fall on the Sao Paulo and Rio de Janeiro stock exchanges. The reports even reached the president. Ceara Senator Mauro Benevides (PMDB) [Brazilian Democratic Movement Party] phoned Minister of Justice Jarbas Passarinho and dropped two bombshells from his end of the line. He wanted to know whether it was true that Passarinho was leaving the administration along with the three military ministers. The minister explained that he was not, called Casa da Dinda to tell the president about the gossip, and got a hearty guffaw in response.

When he showed up for work the next morning, the president tried to dispel the rumors by taking a serious approach. "I would like to express my indignation about the irresponsible way in which some sectors of Brazilian journalism handled the fact that the president of the Republic did not appear at Planalto Palace yesterday," Collor said. He also took advantage of the occasion to announce a temporary suspension of the ceremonial (Tuesday morning) ascents and (Friday afternoon) descents of the Planalto Palace ramp. In a country where presidents usually take pains to conceal even a cold and that suffered the trauma of the collapse of the myth of Tancredo Neves's iron constitution, there were logical grounds for apprehension. After all, it was Collor himself who set up the apparatus for projecting the image of a healthy, dynamic, athletic man who is a tireless worker. Now that equipment has become creaky because of the following developments:

- For the first time in nearly two years, the president has stayed home for two mornings and one full day within a fifteen-day period;
- He has not gone jogging for two consecutive Sundays;
- Last Tuesday he did not participate in the ceremonial ascent of the Planalto ramp. The palace representative explained that it was raining, but Collor has ascended the ramp in the rain on previous occasions;
- He now prefers to stay at home writing long articles for the newspapers instead of riding his jet-ski and playing outdoor sports.

Then there is another factor, a photographic one. One need only compare the Collor of the election campaign

and the presidential inauguration with his appearance in recent weeks to realize that not only has Collor lost 12 kg, but his healthy glow has vanished. What's wrong with the president? "The president is not sick, his health is robust. Being a professional, I would not say something like this if I thought future events would prove me wrong," Claudio Humberto said.

Distracted Look

According to other Collor advisors, he suffers from stress and there are other symptoms in addition to his giving up jogging, or Wednesday's absence. One cabinet minister reports that meetings with Collor are not what they used to be. As he described it: "The president looks so deeply into my eyes that I get the feeling I am invisible and that his gaze is going right through me to the wall behind, or else he gazes obliquely at a fixed spot on the ceiling, with a distracted look." Another minister and another description: "He has less and less interest in his work." Yet another minister with his observation: "The president is tired." Another close adviser of Collor draws this comparison: "Before, the president was obviously enthusiastic, always expecting quick solutions, and believing that everything would come out right merely because he wanted it that way. Now that reality has set in, the difficulty of governing has left him depressed."

Such changes in the president's behavior are normal events in the routine of a man who will have gone two years without a vacation. And they appear even more normal when one remembers that the person in question has faced a series of crushing pressures and devastating defeats—two inconceivably bad economic plans, a woman minister who lived in a fantasy world romancing an irresponsible fellow minister, other ministers accused of corruption, marital spats, problems handling the politicians, and a troublesome cabinet shakeup. If all those problems had resulted in improvements in Brazil's situation and won kudos for the president, the effort would have been worthwhile; there would have been fatigue, yes, but not despondency and exaggerated weight loss. But just the opposite occurred: his popularity ratings fell, the improvements are yet to come, and there is a real possibility that if he repeats the experience of his first 22 months in office, Collor will go down in history as a failure. That kind of prospect, of course, would depress anyone. No one is superhuman. Not even Collor.

The Body Attacks Itself

It is possible that the president suffers not only from stress but from a more serious illness. Two members of his inner circle told VEJA that Collor suffers from a condition called nonspecific ulcerative colitis [retocolite ulcerativa inespecifica]. "Of unknown origin, colitis is an auto-immune disease, i.e., one of those in which the body attacks itself," explains Sergio Mies, a gastroenterologist and professor of experimental surgery at the University of Sao Paulo. By a process that has not yet been explained by medical science, in colitis the white blood cells attack the mucus of the colon, the tube that connects the small intestine with the rectum. One of the possibilities being given the most attention in studies of this disease is that environmental factors may provoke the attack on the colon: a bristle from a particular toothbrush, for example, would cause ulcerations in the colon of a certain kind of person. One of the hypotheses given least credence by researchers is that it is caused by emotional disturbances or stress—mainly because hundreds of thousands of people suffer from stress but very few have colitis. No one knows why, but the disease affects white-skinned and Nordic people more than others. While England is one of the countries with the most victims of the disease, colitis is relatively rare in Brazil.

The symptoms of the disease are cramps, diarrhea—with blood, pus, and secretions—stomach upsets and, possibly, fever. Although stress does not cause colitis, specialists say the disease causes emotional changes in patients. Because it upsets a very private activity (evacuation), the disease affects the patient's emotions, although the ability to reason remains unchanged. This is such a problem that, in England, there are support groups for people with colitis. They meet to discuss their problems, such as embarrassment and the subtle discrimination they face.

In the acute phase, when diarrhea occurs several times a day, colitis is treated with medications and diet. Usually corticosteroid drugs are given, plus a medicine called "Anacol." While the first drug curbs the process by which cells attack themselves, the second acts directly on the mucus of the colon. In terms of diet, the approach is to try to combine foods that inhibit bowel movements—the patient is told to avoid potentially irritating substances (pepper, alcohol, garlic, onion, and spices)—with increased consumption of fiber (which helps form firmer stools). With medication and proper diet, some patients have been able to free themselves of the disease and spend months or even years without further symptoms.

Colitis requires surgery in two kinds of situations. In its acute phase it can cause intestinal complications that can only be resolved by surgery. A second type of surgery is done as a preventive measure. The disease can lead to cancer and becomes more dangerous with the passage of time, or when it assumes a chronic nature. If a person has suffered from the disease for five years, it is not very likely he will develop cancer of the colon. But if he has had it for 15 years, that possibility increases and doctors recommend surgery to remove the colon in order to prevent cancer. Despite its unknown origin and the risk of eventually developing cancer, colitis is perfectly treatable and curable. But it causes a great deal of discomfort and embarrassment that affect a person's emotional state.

[Box p 19]

A Floor for Collor

Although Brasilia is more famous for its airport than for the caliber of its hospitals, Planalto Palace has made

preparations to handle potential medical emergencies that might involve President Fernando Collor in that city. Three weeks ago, the military staff of the Office of the President completed a study, dubbed "The Brasilia Plan," that lays out a series of steps to be taken in the event the president suddenly needs to be hospitalized. The first, and most important of these is that he is to be taken to the Armed Forces Hospital (HFA), 10 km from Planalto Palace where the president works and 29 km from Casa da Dinda, his residence.

Detailed in five typed pages, "The Brasilia Plan," was outlined in a briefing for the clinical staff of the HFA last week. In event of an emergency, Collor's aide-de-camp is to use the nearest telephone to dial a secret number, one that will be changed continually. The duty officer at the entrance to the HFA will be on the other end of the line. Immediately a team composed of nine physicians from different specialties will be called to the hospital. Meanwhile, personnel on duty will be preparing the intensive care unit and the 10th floor. The entire floor is being reserved in advance for the president—no ordinary patients are hospitalized there. Until this plan was announced, only one suite was being held for Collor.

"The Brasilia Plan" also outlines a security scheme for the HFA. Should the president be hospitalized, the building will be surrounded by Air Force airmen—the Planalto military staff will be in charge of internal security. The entire route up to the 10th floor, or to the intensive care unit on the ground floor, will be policed and only physicians will be allowed access. When the president needs to use the elevator, the other ones will be taken out of service as a precaution. The same emergency scheme can be activated to care for Collor's two sons, Armon Affonso and Joaquim Pedro, or First Lady Rosane Collor.

Colombia

Government Investigates Stolen U.S. Weapons

PA2702164892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 27 Feb 92

[Text] The "24 Hours" newscast has learned that weapons for the Colombian guerrillas were shipped from a U.S. military base in Panama. The mortar grenades, which were seized in Bogota on 14 August 1991, were headed for the Revolutionary Armed Forces of Colombia [FARC]. The investigation into where they came from had Colombian and U.S. officials following the trail of persons possibly trafficking in U.S. Army weapons.

The results of the investigation are summarized in Directorate of Judicial Police and Investigations documents. It was learned that the U.S. Government sent the M-49A4 grenades to a U.S. military base in Panama for later distribution to the armies of several South American governments requiring such weapons. The U.S. Bureau of Alcohol, Tobacco and Firearms is investigating how these grenades left the military base and the possible involvement of U.S. officials in this illegal activity.

These are not the only weapons from U.S. military bases to arrive in Colombia for clandestine organizations. On the day after this seizure, authorities presented another weapons cache seized from drug traffickers in Medellin. A Redeye missile, which was identified by U.S. officials as one of the most sophisticated weapons of the time, was one of the weapons seized. An investigation revealed the missile had been stolen from a U.S. military base in Germany and sold to Christopher De Melo, another international weapons trafficker from the United States.

The contacts or alleged liaisons between FARC and members of foreign armies go further than this. After the police seized a load of rifle parts near the Venezuelan border in September 1991, Sergeant Cesar Armando Blanco Pimentel, a member of the Venezuelan Armed Forces, was discovered to be involved in the deal. Investigations revealed that he took the weapons from the military industry, sold them to a man by the name of Alberto or Humberto Rincon in Maracaibo, who would pass them on to the guerrillas. The sergeant remains on active duty in the Venezuelan Army and the civilian is now a fugitive.

Congress Challenges Constitutionality of Decrees

PA2802035992 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 28 Feb 92

[Report by Jose Luis Ramirez]

[Text] Relations between the government and the Senate reached their most critical point on 27 February. Congress appealed to the Supreme Court to rule on the constitutionality of decrees that were issued this week within the framework of the social state of emergency. The decrees increased the salaries of public employees and members of the Armed Forces.

The social state of emergency declaration led to division and crisis in the Senate. The Liberal Party bloc criticized the government's decision and its way of handling the country's economic and social policies. In a closed-door meeting, the Liberals questioned Finance and Public Credit Minister Rudolf Hommes and Government and Interior Minister Humberto de la Calle. After hearing the Senate criticism for six hours, De la Calle defended the government decision.

[Begin De la Calle recording] Some people do not agree with the government's decisions. We feel that is democratic and worthy of respect. We said that, but we also gave reasons why the government strongly feels it did the right thing. [end recording] This meeting between the government and Liberal lawmakers prompted a proposal to delay the plenary session. Senate minority groups complained of what they regard as an abuse of their role.

[Begin Senator Andres Pastrana recording] This should not be allowed. Why should we recess and not the liberal or conservative blocs? The ministers must be present at the sessions. We demand respect. [end recording]

The meeting got under way after the protests. The debate continues on the government decision to issue the social emergency decrees.

Former Rebels Demand Government Keep Agreement

PA2802032392 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 28 Feb 92

[Report by Janet Cepeda]

[Text] Three guerrillas of the former Popular Liberation Army [EPL], which is now called the Hope, Peace, and Liberty Movement, on 27 February staged a peaceful takeover of the Venezuelan Consulate in Bucaramanga, Santander Department. According to the former rebels, they wanted to call on the country and the government to abide by the reintegration program drafted one year ago.

[Begin recording, unidentified EPL member] Fourteen of our comrades who were reincorporated into society have been killed. Our leaders in Barranca and Southern Cesar have been threatened. Some of our comrades had to move to Bucaramanga for security reasons. In addition, many comrades are still having problems getting housing and education. [end recording]

The talks between those involved in the takeover and departmental and military authorities led to an agreement to end the six-hour takeover. The three former guerrillas will meet on 2 March, with the Santander governor to discuss their immediate problems. The former EPL rebels are now waiting for the government to solve their problems promptly.

* Development Minister on 1992 Economic Plans

* Greater Competition Sought

92SM0250A Santa Fe de Bogota EL ESPECTADOR in Spanish 20 Jan 92 p 9A

[Article by Henry A. Rodriguez B.]

[Text] To avoid a repetition of what happened in 1991, when industry grew a paltry 1 percent, economic officials are preparing to take measures to encourage manufacturing production.

In this regard, the Ministry of Economic Development and the new Superintendency of Securities will eliminate stumbling blocks that hamper the capitalization of medium-sized and small businesses through the issuance of shares, a very inexpensive alternative for obtaining fresh money.

In addition, a bill to "foment competition" will be submitted to Congress. The bill is designed to attack monopolistic practices, which distort the work of nascent companies.

The patent system will also be shaken up; officials will begin processing the 74,000 trademarks and 4,000 patents pending registration.

There will also be dollar and peso funds available in official entities such as the Industrial Development Institute (IFI) to meet the demands of private investors.

Furthermore, the economic team plans to lay the groundwork to create an atmosphere in which the market itself will bring down interest rates. If this does not occur, the possibility of intervening to affect the cost of money has not been ruled out.

In addition, manufacturers will be given total freedom to set industrial prices for tires, soap, matches, soft drinks, beer, cement, cars, and many other products.

The only sector not covered by this decision is pharmaceuticals. Basic medicines are still subject to a certain amount of official control, but tariffs will be reduced to 5 percent.

Moreover, a greater impetus will be given to the privatization program, so that many state monopolies that limit the activities of industrialists will be eliminated.

For example, the Agricultural-Livestock Marketing Institute (IDEMA) will no longer enjoy the privilege of being the only importer of wheat, the raw material for the pastry and cookie industries. This grain requires a prior license for import, meaning that it cannot be brought into the country freely.

To make industrial privatization quicker and clearer, a framework initiative will be submitted to the legislature to regulate all transfers of property from the state to private hands.

As a result, the IFI will be able to sell its shares in already developed projects much more quickly, and thus will be able to obtain financing for nascent industrial enterprises. This will contribute to the reactivation of industry.

Since construction is considered a key activity in the economy in general, and industry in particular, a bill will be submitted to Congress to streamline the market for existing housing and put an end to many conflicts between landlords and tenants.

Tourism, another important sector and an important source of foreign exchange, will be committed wholeheartedly to the economic liberalization process.

The illicit practice of a few officials of selling stars to hotels to lend them more *cachet* (and enable them to charge more) will no longer be possible. The government

will also not give any more *tenedores* [a play on words between "fork" and "shareholder"] to restaurants.

These are the basic features of the plan outlined by Development Minister Jorge Ospina Sardi to reactivate Colombian industry.

The idea is to create a framework that will enable industrialists to shed their fear of investing, so that they will proceed to modernize their plants and, in this manner, face the economic liberalization on a more solid footing.

Issuing Shares

One of the pillars of this strategy is financing. How can industry be given access to cheap money?

According to Ospina, the most economical way is by issuing shares. His office is working with the Superintendency of Securities on dismantling some of the regulations that prevent small businesses from resorting to this expedient.

In short, a corporation will no longer have to have 100 shareholders or 70 million pesos in capital to be able to gain access to share capital.

If that option is chosen, however, the company will be subject to oversight by the Superintendency of Securities, and its accounting records must be made public.

"There are 2 trillion pesos floating around out there, invested in short-term securities. These funds could just as well get to companies through share capitalization," stated Ospina Sardi.

Bills

Another basic element of the plan is the submission of the following bills:

- A bill to promote competition by attacking monopolistic practices.

A privatization bill, aimed at organizing a legal framework that would allow the state to sell everything from industrial plants to public service enterprises.

The third bill has to do with the real estate system. Among other things, it proposes to allow property to be divided for legal purposes into two components: lot (land) and structures (everything erected on the land).

This proposal also contains a provision that, if approved by Congress, would allow any landowner to lease the property (as lessor or lessee) when the contract expires.

* Measures Explained

92SM0250B Santa Fe de Bogota EL ESPECTADOR in Spanish 19 Jan 92 p 7A

[Interview with Minister of Economic Development Jorge Ospina Sardi by Henry A. Rodriguez B.; place and date not given; first paragraph is EL ESPECTADOR introduction]

[Excerpts] Compete, they said. Government wants no more to do with controlling retail prices of cement, tires, cars, matches, soft drinks, beer, or soap. Medicine imports now cheaper. Eighteen billion pesos to finance the "pruning" of the Inurbe [expansion not given]. There are 74,000 trademarks and 4,000 patents pending registration. "The trade associations have not adjusted to the new economic situation," says the Ministry of Development. Ospina Sardi turned out to be more liberal than Samper. Wants to take the ideological passion out of privatization.

Although conservative in politics—a Pastranist, no less—in economics he turned out to be more liberal than any ruling party activist.

He loves masquerade balls, but he does not hide behind any mask when he declares himself to be an enemy of state subsidies, even though businessmen do not like that.

As for his relationship with Hommes, he says "we are on a honeymoon." Of his predecessor, he would prefer to say nothing. But he has not one jot of populist in him, "knock on wood."

Moreover, he has just decreed the total leveling of industrial prices. He is convinced that it was necessary, whether or not the electorate likes it. In short, since he has no political aspirations, it matters little to him.

But sometimes he cannot sleep at night. He is kept awake by President Gaviria's promise to deliver 500,000 housing solutions. He was given the job of making that promise a reality. And it keeps him awake nights. [passage omitted]

In fact, he thinks that if the national capital market opens up and offers the same terms as the foreign market, many funds will flow in, so much that interest rates will fall very low. Just thinking about it makes him flush with excitement.

"But the oldest members on the board of directors of the Bank of the Republic oppose any further liberalization. Sure. They were born and raised during the time of 444, the famous exchange-rate system." [passage omitted]

[Rodriguez] What happened to industrial prices?

[Ospina Sardi] The controls were removed, it's that simple. Everything except medicines is completely deregulated. Now businesses can set the retail prices of their products without meeting any requirement whatsoever. This measure covers the entire chain of production

for tires, including caprolactama, nylon cord, and even rubber. In addition, it extends to cars, matches, soap, cement, asbestos-cement items...in short, everything.

[Rodriguez] Why was this measure taken?

[Ospina Sardi] Now we really are in a free economy. There is no reason to maintain price controls when there is free importation. Businessmen will see. The consumer will decide. He will buy whatever is cheaper. It made no sense to discriminate in favor of a few products, which were prevented from enjoying price freedom. That is what liberalization is all about.

[Rodriguez] What will happen to medicines?

[Ospina Sardi] The prices of basic medicines, which are part of the family basket, are still controlled. The rest, those which are not basic, will be completely deregulated. In addition, the tariff is reduced to 5 percent, so medicines can be imported very cheaply. Furthermore, they can come in from Venezuela duty free, because we are in a free trade zone.

[Rodriguez] What happens if there is abuse by businesses?

[Ospina Sardi] It is unlikely that will happen, because with the internationalization of the economy there is no paternalism, so no one can feel so protected that he can raise his prices and not be affected by the competition. Now, we must clarify that if it is necessary to bring back the controls, we can proceed accordingly.

[Rodriguez] How is the housing plan coming along?

[Ospina Sardi] That does keep me awake nights, especially because it is one of the pillars of this government's social platform. It is a great responsibility. For the time being we are trying to coordinate the work of public and private institutions, that is, the Inurbe, the savings corporations, Findeter [expansion not given], the municipal governments, the cooperatives, and the governors' offices. But there is a big problem: There is not enough land in the big cities. That is why we had to introduce the recovery of neighborhoods as a means of solving the homeless problem by using existing housing as well.

[Rodriguez] Will you reach the goal of providing housing for 500,000 families?

[Ospina Sardi] Those households will be selected to receive the direct subsidy granted by the government. And the money will be ready so that if this administration does not carry it out, the next one will.

[Rodriguez] What will happen to the Inurbe?

[Ospina Sardi] Since the former Territorial Credit Institute (ICT) is no longer building housing but acts as the intermediary between the government and the subsidy recipients, it must be restructured. And 18 billion pesos has already been allocated in the budget to reorganize the payroll. Many workers will be compensated, but it is not necessary to do so. [passage omitted]

* Government Outlines 1992 Economic Projections

92SM0251A Santa Fe de Bogota EL TIEMPO in Spanish 29 Jan 92 p 3A

[Text]

Tax Reform or Fiscal Crisis

Hommes' message to city governments: "We cannot keep on making VAT [value added tax] transfers and, at the same time, pay teachers and the costs of health care." There will be no changes in the domestic price of coffee during the first quarter, and electric-power investments are limited to 240 billion.

Retrenchments will continue in 1992, perhaps more intensely than last year. The government feels that steps must be taken to prevent the country from lapsing into a financial crisis that could hit 862 billion pesos, 2.5 percent of the GDP (gross domestic product).

Under these circumstances the tax-reform bill will be upped by 50 billion pesos, and the cuts in government spending will total 123 billion.

Moreover, there will be no changes in the domestic price of coffee during the first quarter of the year; investments in the electric-power sector will be limited to 240 billion, and foreign borrowing will be kept stable.

The municipalities and departments will truly have to take up the challenges of decentralization in investment "because the central government cannot keep on transferring funds and, at the same time, defraying the costs of what the regional agencies have to do."

Finance Minister Rudolf Hommes and the chief of National Planning, Armando Montenegro Trujillo, made these points in revealing details of the macroeconomic plan for 1992.

Reasons for the Retrenchment

There are several reasons for the budget deficit this time: an increase in VAT transfers, lower tax revenues owing to the economic liberalization and subregional integration, and higher public-sector spending arising from wage adjustments and short-term situations such as the crisis in the National Coffee Fund, the Medellin subway, and the electric-power sector.

Montenegro said that VAT transfers would be up 43 percent this year and that therefore the central government would have a gap. For this reason, the departments and municipalities must truly defray the costs of decentralization.

"We cannot keep on making VAT transfers and, at the same time, pay teachers and the costs of health care," Finance Minister Rudolf Hommes said.

The Congress of the Republic is expected to pass the bill and regulate the use of the revenue-sharing funds that the regional agencies receive.

At least 60 percent of the transfers must be earmarked for social investments, under a provision written into the 1991 Constitution.

As for spending, last year's constitution created new obligations for the government. Therefore, additional revenues are needed; they were initially estimated at 350 billion pesos.

The economic authorities felt that they could raise this amount under the tax reform that they plan to submit to Congress. The board of the Bank of the Republic called for 50 billion more, however.

This development forced the administration to amend its first draft of the bill, the backbone of which is a modification in the VAT, which will be extended to goods and services that are now exempt.

Lower Tariffs

The lowering of tariffs to abide by the guidelines of economic liberalization has also eroded revenues. The cut in taxes on foreign trade, including the import surtax, means 250 billion pesos less in revenues.

The administration plans to offset this decline partly by increasing imports, which are projected to grow by 28 percent in 1992.

This is a very tentative number, because when the program to open up and internationalize the economy began, a significant rebound in overseas purchases and a drop in international reserves were predicted. This has not happened, as the most recent figures indicate that imports were down 7.2 percent while reserves grew by $1.919 billion.

Grim Outlook for Coffee

The forecasts for the coffee industry are not promising. The macroeconomic plan calls for a deficit of 280 billion pesos in the FNC [National Coffee Fund], under the assumption that a 22 percent increase in the domestic price will be ordered in October.

There will be no change in April in the domestic price of coffee, which currently stands at 100,000 pesos per 125 kg. "We cannot give this any thought," Minister Hommes said.

Financial authorities estimate that the maximum acceptable deficit in the FNC should be 140 billion. To get there the fund will have to sell off assets and recoup investments in its affiliates.

Moreover, investment in the electric-power sector will be limited to 294 billion pesos, which is still one of the highest amounts in the public sector.

According to National Planning, this amount will enable priority projects such as Guavio (Cundinamarca) and Rio Grande (Antioquia) to move forward and be completed.

The Medellin subway will post a deficit of 162 billion pesos, almost all of which will be financed through overseas funds backed by the government.

In contrast, the Colombian Petroleum Enterprise will record a surplus of 251 billion pesos according to forecasts.

The accumulation of reserves is also going to complicate monetary policy this year. An estimated $1.571 billion in reserves is expected to flow in this year. To avoid inflationary pressures Hommes has asked the Board of Directors of the Bank of the Republic to share responsibility for monetary policy. The money supply is supposed to increase by only 27 percent.

One of the ways is to boost open-market selling operations by at least 500 billion pesos. These transactions will be conducted not just on securities markets but also in medium-sized cities through the banking system.

[Box, p 3A]

Taxes: 400 Billion

The tax-reform bill is the one that the administration is guarding most zealously. The broad outlines of it have leaked out over the past two months, however: extending the VAT to goods and services currently exempt and more efficient revenue collection, with surer criminal penalties for those who defraud the government.

There have been several discussions within the administration about including basic items in the Colombian family's shopping basket. Hommes, for example, feels that public utilities (with the exception of long-distance telephone calls, which are already taxed) should not be subject to the VAT.

Levying this tax on power, water, and sewer service would counteract the policy of lowering inflation, whose target for this year is 22 percent.

Self-employed professionals will, however, be subject to the VAT. And the overall rate of 12 percent at present will very likely rise by 1 or 2 percent.

The reform, which will contain other items besides the VAT, must generate 400 billion pesos in additional revenue in 1992. This is 50 billion more than in the administration's initial proposal. The increase stems from the recommendations of the Board of Directors of the Bank of the Republic, which asked the government to post a budget surplus of 1.5 percent of the GDP, or some 750 billion pesos.

Minister Hommes said that the request from the central bank's board is excessive and that the administration is

working on more realistic goals. The best that it can do, as set forth in the macroeconomic program, is a balanced budget.

Hommes feels that it is imperative for the Congress of the Republic to pass the bill by this June, because otherwise 402.5 billion pesos in payments will have to be postponed. If the bill is not passed, there will not be a financial crisis, as was suggested yesterday, because the administration is empowered to enact the reform by decree if the legislature has not processed the bill within 18 months.

[Box, p 3A]

1992: Goals To Bear in Mind

—Inflation for 1992 is estimated at 22 percent.

—The economy will grow between three and four percent.

—International reserves will expand by $1.571 billion.

—The current-account balance will post a surplus of $910 million, whereas the surplus on capital account will hit $661 million.

—Coffee exports will rise by 0.9 percent, oil exports by 12.2 percent, and coal exports by 7 percent. Total exports will be up 3.3 percent.

—Total imports will rise 28 percent.

—The government will borrow $250 million overseas.

—The money supply will expand by 27 percent.

—Public finances will be in balance. The budget deficit will be zero.

—The domestic price of coffee will be increased only in October, by 22 percent.

—The tax reform will generate 400 billion pesos, or 1.25 percent of the GDP.

—Public spending will be cut by 123 billion. The reduction in operating expenses will be 50 billion pesos.

—A series of measures has to be taken in the National Coffee Fund to cut its projected deficit sharply. The deficit must not exceed 140 billion pesos, to which end assets must be sold off and investments in the affiliated enterprises must be recouped.

—Investment in the electric-power sector must be limited to the level agreed upon in August 1991, 294 billion pesos. Completion of priority projects such as Guavio and Rio Grande will be insured. The sector's deficit will hit 0.52 percent of the GDP. The National Energy Financing Company (FEN) will be in charge of distributing investments among sector enterprises.

—Ecopetrol will post a surplus of 251 billion pesos. Production at Cravo Norte is scheduled to be at 84 percent of capacity.

—By disbursing almost 90 percent of the credit scheduled for this year, the public sector will see to it that its net indebtedness does not increase in absolute terms in 1992.

—The Finance Ministry will abolish tariff exemptions, except under the Vallejo Plan, the exemptions for the clergy, and the ones in certain international agreements. The aim is to bolster tax revenues.

* Bill Outlines 'State of Exception' Measures

92SM0252A Santa Fe de Bogota EL TIEMPO in Spanish 31 Jan 92 p 3A

[Text] Threats against the Colombian state, be they from inside or outside the country, will be dealt with under a strict system that includes limitations on certain individual rights and broad powers for the government. It will be subject to constant oversight by the Congress of the Republic and the jurisdictional bodies.

These are the provisions of the bill that the government will submit to the Congress of the Republic in the next few days. It is called the Statutory Law on States of Exception.

The "state of exception" replaces the old state of siege, under which the country lived for more than 40 years. It was included in the new constitution by the Constituent Assembly last year. Basically, there are two states of exception: a war with a foreign country and domestic turmoil.

To be fully enforced, such states must be regulated by Congress through a statutory law, which can only be initiated by the executive branch. The bill was presented to the press by Delegated Minister [ministro delegatorio] Humberto de la Calle Lombana, and by presidential adviser Manuel Jose Cepeda.

Controversial Bill

The initiative specifies the grounds on which either of the states of exception may be declared and the powers the government would have to restore public order, in the case of either an external war or domestic turmoil.

This is, without a doubt, one of the most important bills Congress will have to study, since it will regulate the limitations of rights and the special powers of the government when a state of exception is declared.

Under the previous system, the state of siege, the powers exercised by the government were so controversial that they even contributed to the convening of the Constituent Assembly to reform the constitution.

New Rules

The new constitutional scheme completely changed the rules of play with regard to exceptional situations. For example, it expressly states that when a state of exception is declared, the powers of the government must be regulated by a statutory law.

This innovation means that the decrees issued by the government under the aegis of the state of exception must be supported by the directives set forth in that law. Under the previous system, the government practically had carte blanche to legislate at will by means of state of siege decrees.

According to the new constitution, Congress is considered a deliberative body that oversees the other branches of government in situations when the normal order of things is altered. The bill submitted by the government is written accordingly.

The Bill

The bill consists of 38 articles, arranged in four chapters. The first chapter contains general, common provisions, applicable to the two states of exception. The second chapter regulates the state of external war separately, and the third one regulates the state of domestic turmoil. The final chapter sets forth the principles of application and outlines constitutional control.

According to the explanation presented by Mr. Cepeda, the project has some basic and fundamental principles.

For example, how far can rights be limited in a democracy, when the objective is precisely the defense of democracy?

Above all, the bill fulfills a basic purpose: It opens up the political debate in Congress on the limitations of rights and the powers wielded by the executive branch in restoring public order.

Under this initiative, the three branches of government (executive, legislative, and judicial) draw a dividing line between what can be allowed when there is reason to believe the Colombian state is in jeopardy, and what definitely cannot be done: doing away with fundamental rights.

Above all, the rules of play (the general framework) are defined so that the government will follow them when declaring a state of exception.

Political Controls

The bill also provides some political and jurisdictional controls.

In addition, the bill lays down some basic principles that the government must abide by when it issues decrees under a state of exception. The provisions must be designed to deal with the precise causes of the disturbance; the specific reasons why each measure is necessary must be outlined; the grounds on which the decree is being issued and previous laws suspended must be explained; and finally, the exceptional measures must be commensurate with the seriousness of the circumstances.

The powers that the executive branch would have in the case of an external war include the expropriation of property without prior indemnity.

In the case of domestic turmoil, the circulation or presence of people in certain places could be limited; property could be seized temporarily; and the mass media could be prohibited from airing reports that could pose serious and imminent danger to the lives of individuals or that could have a direct impact on the disturbance of the peace.

Another key element of the bill is the legal development of the temporary nature of the state of exception.

It can only be declared for a 90-day period, extendible to another 90 days. And if the government considers that it is appropriate to maintain the state of exception for another 90 days, it must obtain approval from Congress.

[Box, p 3A]

What About Rights?

The limitation of individual rights is the key element of the regulations proposed by the government to cover states of exception.

How far the limitation will extend and how guarantees can be provided that there will be no abuse, is exactly what Congress will be discussing when it studies the bill submitted by the government.

According to presidential adviser Manuel Jose Cepeda, the list of "untouchable" rights proposed by the government is one of the longest, compared to those prevailing in other countries.

During states of exception, the following rights cannot be suspended:

The right to life; the right to personal integrity and the right not to be tortured; the right to recognition of one's legal standing; the prohibition of slavery, servitude, and the trading of human beings; the freedom of conscience; the freedom of religion; the principle of legality and of the nonretroactive nature of penal law; the right to elect, be elected, and hold public office; the right to enter into matrimony and to protect one's family; the rights of children to be protected by their family, by society, and by the state; the right not to be sentenced to prison for civil debts; the right to nationality. Nor can there be any suspension of the judicial guarantees that are indispensable for the protection of these rights.

The rights that can be abridged include the freedom of mobility and the freedom of assembly, which are explained in the information on government powers in the box on this page.

The government based this charter of rights that are untouchable even in a state of exception on the American Convention on Human Rights and other treaties on this subject that have been ratified by Colombia.

President Cesar Gaviria, Interior Minister Humberto de la Calle Lombana, and adviser Cepeda participated actively in the drafting of the bill.

Several factors were taken into consideration, including the country's experience during a 40-year state of siege (the government decrees and jurisprudence), international law (the treaties and conventions that have been signed in many forums throughout the world), and comparative law. Studies were conducted of the legislation adopted in this sphere in Latin America, the United States, and Europe. The model that finally won the most acceptance was the European one, which establishes rules in advance on exceptional regulations.

[Box, p 3A]

Government Powers

During a state of domestic turmoil, the government would be able to adopt the following measures:

- Limit or prohibit the circulation or presence of people or vehicles at certain times and places, when they may obstruct the activities of law enforcement personnel. Anyone traveling from one place to another may be required to prove his identity using special documentation.

Impose a curfew in the appropriate territorial entity.

Impound property temporarily and require personal services to be rendered.

Prohibit the broadcast media from reporting information that might pose a serious and imminent danger to the lives of persons or might have a direct impact on the disturbance of the peace.

In broadcasting information, the press is subject to subsequent liability.

Require permits or prohibit meetings and demonstrations that might contribute to the disturbance of the peace.

Authorize, without court order the monitoring or recording of communications for the sole purpose of gathering legal evidence.

Authorize inspections or searches of homes by formal, written order, for the purpose of gathering legal evidence.

Authorize the arrest of persons on whom there is strong evidence of participation or plans to participate in the commission of crimes related to the causes of the disturbance of the peace.

Prohibit strikes that seriously and imminently contribute to the disturbance of the peace or prevent the restoration of order.

Order the seizure and temporary occupation of factories, plants, shops, land, buildings, or activities of any sort, provided that they might cause some disturbance of the peace.

Limit or ration the use of services or the consumption of staple items.

Issue the necessary orders to ensure the supply of markets, the provision of services, and the operation of production centers.

Impose special conditions or prohibit the exercise of certain civil rights by foreigners, pursuant to Article 100 of the Constitution.

The president of the republic may suspend the mayor or governor if they contribute to the disturbance of the peace.

Levy contributions of a fiscal or parafiscal nature for a single fiscal term; collect contributions or taxes that are not included in the revenue budget.

Modify the budget. He must render an accounting of this to Congress within five days so that Congress may repeal provisions within a maximum period of 15 days.

Decree expropriations and temporary occupations, pursuant to Article 59 of the Constitution.

Suspend safe-conduct passes issued by the military authorities for bearing arms in certain areas.

* 'Informal' Presidential Advisory Group Profiled

92SM0253A Santa Fe de Bogota SEMANA in Spanish 28 Jan 92 pp 22-24

[Text] Over the years, the president and his 14 ministers, meeting in serious, stately sessions around an enormous oval table in one of the rooms at the Casa de Narino, have become a living image of the forum where major decisions of state are made. This is generally how it is and yet, in the case of President Cesar Gaviria, the most delicate, burning questions, issues that might be described as explosive, are first discussed by a small group made up of the five persons closest to the chief of state at meetings held outside of formal Cabinet confines.

Because of the youth of the persons comprising this group, any unseasoned observer catching a glimpse of a meeting of this team of advisers with the president might say it resembles nothing so much as a gathering of university students. Except for Gaviria himself, only one of them is over 40 and the great majority are just over 30. Despite this fact, this is the group of advisers to whom Gaviria pays the most heed and whose opinions are among those he values the most.

These "Knights of President Gaviria's Round Table" are: Fabio Villegas, secretary general to the presidency; Rafael Pardo Rueda, minister of defense; Humberto de la Calle Lombana, minister of government; Mauricio Vargas Linares, minister of communications; and Miguel Silva, private secretary to the president. In most cases, their relationship with Gaviria is recent and their process of solidification as men of trust happened a relatively short time ago.

The one who goes furthest back is Fabio Villegas, secretary general of the presidency, fellow countryman and personal friend of Gaviria since the days when the now president was mayor of Pereira. Of the entire group, he is the closest to the chief of state and the man to whom Gaviria goes to mull over the most varied range of issues. Villegas is consulted on economic matters (his profession), but also on anything having to do with the government's handling of the different political forces and factions at all levels of the administration.

Humberto de la Calle, who emerged as last year's major political figure by defending the government's posture and interests before the Constituent Assembly, worked on various occasions as legal adviser to the Virgilio Barco government and in that capacity had the opportunity to be at Gaviria's side when the latter served as minister of government. This former inspector and attorney from Caldas is now one of the persons to whom Gaviria listens most closely.

Rafael Pardo Rueda's proximity to the president also began under the previous government. Gaviria's current minister of defense—the first civilian to occupy the post for 40 years—shared responsibilities with him during his years at the head of the National Rehabilitation Plan and the Peace Council. Gaviria's friendship with his private secretary, Miguel Silva, began a few years ago when the latter interviewed him for a newspaper. Silva has become Gaviria's right hand since the time of the election campaign, a process that also involved Mauricio Vargas. The minister of communications, the campaign's press secretary who was appointed adviser for communications on 7 August 1990, has gradually become one of the persons the president consults most frequently.

However, while these persons have achieved very important positions in the machinery of government individually, their real power is apparent when they come together.

This small front-line Cabinet meets frequently even though there is no set day for doing so. They may be summoned by President Gaviria at any time and always to handle an important issue whose contents they learn only when the meeting begins. "If one had to define the issues for which the president calls us together," one of them told SEMANA, "one would have to say it is to deal with explosive issues." The forum only debates those topics whose solution or application could have strong repercussions on any level.

And yet, the group makes no decisions. Its role is exclusively confined to expressing opinions on any topic chosen by the president. In the course of the discussion, Gaviria might pick any proposal and, influenced by it, make some decision, but the group's power lies in the capacity it has, based on the president's opinion, to wield convincing arguments on any matter. "The president's attitude toward us is like that of a handball player: He serves his proposals calmly and picks up our comments with interest. However, it is absolutely clear to everyone that he is the only one to decide," comments one member of the committee.

In fact, Gaviria surprises his aides with the autonomy he allows them. The privilege they have of attending the cenacle headed by Gaviria resides in the fact that the president places his trust in them and therefore presumes that his comments are free of any consideration other than that of working with their chief on the solution to a problem. That trust also has a cost in discussions, for while the president welcomes good proposals, he rejects equally openly those without substance and does not conceal his displeasure when some statement makes him fly off the handle. When Gaviria uses the expression, "If you will pardon me..." they already know a scolding is on the way. The president always arrives at meetings with a fairly detailed idea of the topic at hand, which position he does not necessarily pass on to his aides. In the course of the conversation, Gaviria may confirm his position or modify it, although he does not always inform others of this process. From a meeting of this type emerged the mechanism used to gain the surrender and confession of Pablo Escobar and the Ochoa brothers. One of Gaviria's ideas was combined with a proposal from Rafael Pardo and from this dialectic was born the notorious Order 2047.

However, although this modern Sanhedrin is a useful and frequently used instrument for discussing critical issues, there are other matters which the president does not even mention in this sphere. Decisions such as Antonio Navarro's appointment as minister of health, Rafael Pardo as minister of defense, or Fernando Brito to head the DAS [Administrative Department of Security] were created, thought out, and executed by Gaviria all himself.

The existence of this group does not mean that Gaviria leaps over bodies such as that of the ministers considered separately or the Cabinet as a whole. Most of these "explosive" issues which are analyzed by the Knights of the Round Table are later taken by the president to the Council of Ministers, where they are also debated thoroughly. For the chief of state, this body fulfills a basic political function insofar as its members represent different partisan forces. In addition, here the ministers defend their measures and their debate enables them to put the Cabinet's general criteria together. "The procedure for handling such matters consists in the president having an idea, pondering it with his closest aides, and later having it approved by the Council of Ministers," one high government official told SEMANA.

And yet, this group of insiders is not the only one operating outside the Cabinet. Another team, the Agenda Group, has the job of promoting affairs that are not urgent but which the president wants implemented. The Agenda Group includes Minister of Finance Rudolf Hommes, Director of Planning Armando Montenegro, National Security Adviser Ricardo Santamaria, Communications Adviser Dario Restrepo, International Affairs Adviser Gabriel Silva (who occasionally sits with the Knights of the Round Table), and adviser Martin Carrizosa. They meet about once a quarter and are in charge of monitoring progress on issues which Gaviria promised in his inauguration speech. Gaviria started the group so that by the end of his term, not only would he be able to say he did what was fundamental but handled secondary issues as well.

Many think that from these two groups (the Round Table and Agenda) will emerge the cream of future Gavirism, but this is pure conjecture. What is certain is that very few outside the group can claim with any degree of credibility that they exert influence on the president of the republic.

* FARC Leaders View Caracas Peace Talks

* Manuel Marulanda

92SM0254A Santa Fe de Bogota VOZ in Spanish 30 Jan 92 pp 6-7

[Interview with Revolutionary Armed Forces of Colombia (FARC) leader Manuel Marulanda Velez by VOZ staff; place and date not given: "Demilitarizing the Peace Negotiations"; first paragraph is editorial introduction]

[Text] On the eve of the beginning of a new round of conversations between the "Simon Bolivar" Guerrilla Coordination Group and the government, several publications have been able to interview the most senior leaders of the FARC [Revolutionary Armed Forces of Colombia] by radiotelephone. Members of the VOZ staff succeeded in talking to Manuel Marulanda and Alfonso Cano. We present below portions of these interviews.

[VOZ] Will Commanders Alfonso Cano and Ivan Marquez come to Caracas once again to negotiate in the name of the FARC?

[Marulanda] Well, we can guarantee at this time that Commanders Alfonso Cano and Ivan Marquez will go to Caracas. Later on we could say that others will go to participate in the talks. However, at this time we have a delegation ready to go with those two persons heading it.

[VOZ] The government is asking that the guerrillas send representatives with power to decide. Will Cano and Marquez have such power?

[Marulanda] From the first time that they left for Caracas, they have had full power of decision and have always had it. They return to Caracas with that same power. Another thing is that while the conversations are going on, the results may not be satisfactory to both sides. In that case it may be necessary to hold consultations with them. And it is going to be necessary to have consultations as often as the proceedings at the negotiating table require.

[VOZ] What possibility is there that you and Manuel Perez will go to Caracas?

[Marulanda] I am not committing myself and I do not commit my colleague to do so. However, it would not be surprising if things move along so favorably that one of these days we might also sit down at the negotiating table or at least be present when things reach the point where we could sign an agreement.

The Level of the Conversations

[VOZ] But the government has said that it wants conversations at the highest level.

[Marulanda] I think that, as far as high level talks are concerned, you cannot get any higher than at present, because the highest level in the FARC, in our military and political structure, is the Secretariat. We are five in number, and two of the five are going to go. So we cannot send people from a higher level. The other level which might become involved without much warning is for the president of the republic to decide to sit down and talk with Manuel Perez and Manuel Marulanda. As for the rest, the situation is very complicated.

[VOZ] In that case, would you be prepared to sit down at the bargaining table with President Gaviria anywhere in the country to talk about the problems which concern the Colombian people?

[Marulanda] Certainly, I am ready to sit down and talk about peace with President Gaviria, if that is the highest level which the president of the republic wants. If he wants to spend a couple of months talking with us, I would be ready, and with much pleasure, to have the whole Secretariat go and talk with him.

Situation One Year After the Casa Verde Campaign: 500 More Guerrillas

[VOZ] A little more than one year has gone by since the military offensive against Casa Verde. Could you summarize the situation for us from the point of view of the resistance to the government?

[Marulanda] We can take the date of 9 December as the point in time when the president authorized the military commanders to take Casa Verde. The experience which we had during this campaign was highly interesting, since we were able to show the government, public opinion, and our enemies that it was not very easy to attack and defeat us.

Furthermore, we might point out that in the course of one year a considerable number of successes have been

achieved in the revolutionary struggle. One of the successes which we have achieved is that the president of the republic has agreed to conversations with the insurgents in Caracas. The fact that the president, after making an attack of that kind against us, has to sit down and talk with us is a rather substantial achievement for us.

We also must say that up to now the president and the senior military commanders have not been able to record any favorable achievements which would make it possible for them to say that they are able to fight successfully against subversion in this country. On the contrary, in the review which we have just prepared we indicate how many weapons the Army has lost in this fight with us. And right now I am saying that the Army has lost a little more than 500 rifles in the fighting. That means that we are able to arm 500 more guerrilla fighters. This has awakened the revolutionary spirit in very many people, including the very peasants who have been giving us support. Therefore, what this means is that the guerrilla movement has been consolidated.

[VOZ] While you are entering into conversations with the government and during the conversations themselves fighting is taking place which endangers the negotiations and threatens the possible withdrawal of the government from the talks, as it has done in the past. How can the conversations be continued, despite a continuation of armed clashes?

[Marulanda] The first thing which we have to make clear is that as long as a bilateral ceasefire has not been agreed upon, we are running that risk. We can be at the negotiating table discussing all of the subjects which we have referred to, and at the same time there could be a battle. To avoid that, it is necessary for the government to suspend operations. Under those conditions there will be no fighting, because at such a time we would expect that the situation would be improving. However, as you see, at the same time that conversations are going on in Caracas, the government has plans prepared in terms of operations at the national level. It has forces committed specifically against the Secretariat of the FARC. When this happens, those operations reach a higher pitch everywhere. The fact is that the government wants to demonstrate a position of strength at the negotiating table. And as long as this situation continues, it is impossible for us to enter into a ceasefire or to have an improvement in conditions when other matters have not been agreed upon.

* Alfonso Cano

92SM0254B Santa Fe de Bogota VOZ in Spanish 30 Jan 92 pp 6-7

[Interview with Revolutionary Armed Forces of Colombia (FARC) leader Alfonso Cano by VOZ staff; place and date not given: "We Are Going to Insist on the Economic, Political, and Social Aspects of the Domestic Conflict"]

[Text] [VOZ] How would you characterize this new round of negotiations?

[Cano] We are convinced of the value of negotiations and, therefore, we look on them as a challenge. In turn we hope that the government will also facilitate a change in its policies so that we can make progress. The change marked by the establishment of the Office of Counselor for Peace specifically shows what we have interpretated as a change in the position previously held by the Office of the President, and we are sure that we are going to make progress. However, if this new step is only going to result in putting new personalities in positions of authority, then making progress, as the whole country hopes will take place, will be very difficult.

[VOZ] But how have you changed your positions?

[Cano] We are going to insist on the economic, social, and political aspects which basically underlie the Colombian conflict. We will more or less put in their proper place, from the point of view of priorities, the specifically military aspects, such as a ceasefire. This is so that we will not remain stalemated at that point, which has done so much to militarize negotiations. I believe, and we are convinced, that the people are expecting much more than a renewal of the debate on the territory controlled by the guerrillas, on the areas in conflict, the neutral areas, etc. These are technical aspects which often do not attract the attention of the people because they do not affect their specific problems.

We Will Not Avoid the Subject of a Cease-fire

[VOZ] Does this mean that you will insist on not giving priority to the subject of a cease-fire?

[Cano] We will not avoid the subject of a cease-fire. That is important, and it is known that the country wants negotiations to be held in the best possible climate, because clearly this is going to be much more useful. However, what we want to make clear is that we cannot go on endlessly discussing the purely military aspects. In this phase we want the negotiations to discuss these and other aspects, emphasizing the basic questions underlying the crisis of Colombian society.

[VOZ] It seems that there is a consensus between the two sides that giving the highest priority on the agenda to the negotiation of a cease-fire resulted in the bogging down of negotiations. In this sense would you consider it possible to negotiate and reach agreements on other points as, for example, respect for the lives of the civilian population and the preservation of human rights? Could an accord be signed on these matters before a specific agreement on a cease-fire?

[Cano] Yes, you are right. That is quite possible. In the former Negotiating Commission we tried without success to raise those subjects which, in any case, are of priority concern. By taking up the government's proposal on such points we have included them as aspects of the fighting. Generically, they are the repercussions of

the armed conflict on the civilian population. The government was very equivocal when it came time to analyze this situation in specific terms. If there is a way of beginning at this point, very well, because we could make progress on the agenda, building confidence and at the same time making it possible for the Colombian people to benefit immediately from the negotiations.

The Subject of Paramilitary Forces Is a Priority Subject

[VOZ] Could you indicate to us in specific terms other aspects which you consider of great importance on the agenda?

[Cano] In addition to the cease-fire, which we have proposed discussing with the government, there is a point which we consider central and a matter of priority concern in view of the sufferings of the Colombian people. That is the subject of paramilitary forces. No one wants to discuss this, since everyone is turning a deaf ear to it and does not want to hear of it. We have said that it is the government which should undo what it did many years ago through a regulation applicable to the armed forces. That factor is interfering with the normal life of the country.

And the other and very important subject which we want to raise now is the economic question, not so much to discuss it from the technical point of view but rather because of the social repercussions which it has. It is a matter of priority for us to discuss it because, as we see things, liberalizing the economy is simply and broadly a declaration of war by the government against the people. I might mention other points, such as that of national security and petroleum.

Purge of the Armed Forces

[VOZ] And on the subject of a purge of the armed forces?

[Cano] We have called the subject of national security a matter of great importance, generally speaking. For all of our lives we have fought against the idea that such a policy is the view of the Colombian people. That idea, which came to us from the Pentagon in the United States, looked to us like an imposed concept which was developed during the Cold War. And it has symptoms like those which you are describing to me. That is, involving the armed forces in a dirty war is basically linked to the concept that the enemy we must fight is inside the country. The idea is personalized in terms of all of those who do not share it or are not committed to the policies of the state. Under that view, a war machine like the military forces of Colombia winds up creating the situation which now concerns the whole country, involving acts of oppression and the violation of human rights.

[VOZ] Finally, what are your objectives? The people think that the negotiations involve finding solutions to the problems of the guerrillas and arranging their return to the life of the country, thereby bringing an end to the conflict.

[Cano] Our struggle is based on the view that there are guarantees for which all of the Colombian people can fight without risking their lives. We are not interested in having them offer us a car, a house, a scholarship, or a country estate. We are interested in reaching an agreement which will guarantee to the people the free exercise of democracy and, of course, social justice.

Paraguay

Rodriguez: Military Still Identifies With Party

PY2702175092 Asuncion NOTICIAS in Spanish 27 Feb 92 p 2

[Text] President Andres Rodriguez yesterday said that there will be a time when Armed Forces members will be completely apolitical. He explained that Armed Forces members are no longer forced to join a political party to continue their careers. But he warned that Armed Forces members cannot disregard their ideology and feelings and cease to be Colorado Party members.

Commenting on a recent statement by Colorado Party politician Blas N. Riquelme, who a few days ago said the Armed Forces have, are, and will continue to be Colorado Party members, President Rodriguez said that since 2 and 3 February 1989, the Armed Forces are treading an institutional path.

He added that everyone is aware that there is no impediment for any citizen to joining the Armed Forces' military or police academies. "But according to the prevailing electoral code, those Armed Forces members who are on active duty and are also Colorado Party members cannot engage in political party activities or hold political party posts. We are prohibited from doing that, but not from being Colorado Party members. We cannot disregard our ideology and feelings and cease being Colorado Party members," he said.

The president added that the Armed Forces cannot cease to identify themselves with the Colorado Party. He stated that once those Armed Forces members who are also Colorado Party members retire, then the Armed Forces will become apolitical.

He said: "While we continue to cherish the Colorado Party in our hearts and minds we cannot be apolitical. But we have chosen to uphold the current electoral code and decided not to engage in active political activity within the Colorado Party. We are respectful of the established laws."

Asked whether the Armed Forces are a national institution that groups together some Colorado Party members, President Rodriguez said that institutionally-speaking the situation within the Armed Forces will evolve together with the democratic transition.

Rodriguez said: "As I have told you, institutionally the Armed Forces will continue to evolve along with the democratic transition process, which is consolidating

itself. There will be a time when the Armed Forces will be fully institutional and their members will be completely apolitical."

Speaking about the situation within the Colorado Party, Rodriguez said that he is unaware of the criteria of Colorado Party members on this issue, but there is little disagreement about it. He concluded by saying: "The fact that there is disagreement within the party does not mean a lack of unity. We can disagree and still be united and live in harmony."

Uruguay

Economy Minister Announces 'Drastic Measures'

PY2802142492 Montevideo Radio Carve in Spanish 2300 GMT 27 Feb 92

[Report on speech by Economy and Finance Minister Dr. Ignacio de Posadas; place not given—recorded passages are within quotation marks]

[Text] Here are some highlights of the economy and finance minister's speech. Dr. Ignacio de Posadas has announced drastic measures to overcome the serious economic crisis.

During a 23-minute message, broadcast to the entire country over radio and television, Posadas gave details of a government project to implement a profound social security reform. He said that this reform will lead to the creation of a new system of personal [pension] accounts, maintaining solidarity and acquired rights. There will be a large reduction in state expenditures and a reduction of current expenditures.

Posadas announced various requirements for public servants to comply with their duties. He also warned, however, that in the mid-term, public salaries will not be at appropriate levels as demanded by public servants. He also announced a reduction in jobs, increasing vacancies that will not be filled.

We will now broadcast a summary of the main passages of the message [words indistinct] prepared by our Information Department. [Posadas recorded passage indistinct]

Addressing the measures that the government will implement in order to reduce the state's expenditures, Posadas pointed out the following:

"It is clear that the final solution to this problem must not be sought in the reduction of [word indistinct] because Uruguayans endure an enormous tax burden, but time is against us here too.

"State (?expenditures), 60 percent of which involve salaries and social security payments, cannot be reduced immediately. Therefore, there is no other way but to increase some taxes to cover at least part of that deficit, reducing [words indistinct].

"In addition to administrative changes, adjustments in the form of estimating the industry and commerce income tax—within the deadline for paying the IVA [Value Added Tax] on professional services and in the percentages of advance payments on real estate taxes—will be introduced.

"Concerning the (?ICE), [words indistinct] companies will not be allowed to join the [word indistinct] personnel system. Minimum contributions for domestic service will be required. All these are partial measures, awaiting an in-depth reform.

"We will also send separate bills to congress concerning estimates on fiscal surcharges, implementing a tax on real estate transactions after the death of a person, and putting the tax classification for certain games of chance on the same level as that for the national lottery.

"We will also correct some situations that have a negative impact, removing the (?Idic) double taxation on dividends of holding companies [sociedades vinculadas] and the IVA on the merger or split of corporations prompted by changes in the taxation on (?Ise) operations. In this regard, the exemption of surcharges on the importation of capital goods not produced locally will be extended.

"This situation must be completed by defining the contribution to this new effort by the agricultural and livestock sector, whose implementation was suspended for 180 days.

"In conclusion, we will renew the measures to control evasion, which has yielded very effective results, both at the DGI [General Taxation Directorate] and the [word indistinct] levels."

Moving on, De Posadas warned that public salaries will not have appropriate levels in the mid-term.

"This is not anyone's fault or, at any rate, it will be everyone's fault. At any rate, it is a reality that prevents increases in public servants' salaries from satisfying the human and legitimate expectations of these citizens and the desires of the government, which, like any other government in the world, would like to pay more.

"Because this topic frequently has been dealt with mistakenly, we would like to discuss it as frankly as we have discussed all other topics. So far this year, public employees' salaries have increased an average of 16 percent as a result of the increase granted in January and the terms of the budget implementation report. The government has promised to grant a special 5 percent salary increase when the bill for the refinancing of debts to the [words indistinct] goes into effect. This, added to the adjustment contemplated in the budget implementation report, will result in an average increase for the January-April period totaling almost 23 percent.

"Despite all that, public employees' salaries will continue being very low, but the average salary increase will remain above the inflation rate of the four previous

months, which totaled almost 19 percent. These increases cost the government more than $270 million. Because the government has no funds to pay for its expenditures, it must then continue printing money, resulting in the devaluation of the Uruguayan currency and increased inflation.

"Considering that it is not fair to downplay the people's expectations, I must warn you that, at least in the medium term, public employees' salaries will not reach an appropriate level."

The economy and finance minister admitted that the government will gradually withdraw from private sector collective bargaining:

"Applied to private sector salaries, this policy will lead to the government's gradual withdrawal from collective bargaining [word indistinct] establishing a limit above which no agreement will be reached. Businessmen, workers, and unions know perfectly well our national reality and the economic policy the government must implement as a result of this reality. Salary increases that do not fit these limits can only create risks to the companies and the job sources. Independent of its clear position regarding salary increases, the government has no possibilities of absorbing the consequences of mistaken decisions."

Posadas then summarized concrete measures aimed at cutting the central government's expenditures and those of other areas of the Uruguayan administration:

"The largest cut will result from the reorganization of the social security sector, but we cannot wait for that. Therefore, the government has decided to adopt the following measures to reduce and control its expenditures: All central government current expenses will be immediately reduced 15 percent. We will propose a mechanism that will award public employees 50 percent of the additional savings they produce for the government, thus improving the official estimates. We will allocate funds to supplies to prevent expenses with them from becoming excessive and from having to allocate other funds to this sector. The number of positions will be immediately reduced, resulting in a larger number of vacant positions that will not be filled. We will reimplement retirement incentives for employees who prove unnecessary. The national accountant general and the national treasury secretary have been instructed—and have my total support on that—to strictly control expenses [words indistinct]. Omissions and failure to comply with these will be punished. Working hours of all government offices will be severely controlled. The off-budget [extra presupuestales] funds, which currently total $120 million, will also be under strict control. State-owned companies' expenses, which increased significantly last year, will be streamlined. The policy calling for the reduction of public utility rates—the real reduction of which totaled 7 percent last year—will continue to be implemented. The state-owned companies' level of investment, indebtedness, and contribution to the National Treasury will be established in a way that they too contribute to the expense-reducing efforts.

"Finally, we have launched a program to reduce the state apparatus and eliminate all activities alien to its objectives and duties."

This was a summary of the speech delivered by Economy and Finance Minister Ignacio de Posadas a few hours ago.

Venezuela

Minister Reads Announcement About Military

PA2702213292 Caracas Venezolana de Television Network in Spanish 1550 GMT 27 Feb 92

[Statement read by Defense Minister Fernando Ochoa Antich outside Miraflores Palace in Caracas—live]

[Text] Regarding the national Armed Forces and a report published in some morning newspapers, I want to explain the following:

1. The meeting with the Senate Defense Committee was private and issues of national interest were treated with suitable confidentiality.

2. At no time did anyone criticize the capabilities of the Armed Forces commanders, among whom there is cohesion and the will to overcome the difficult times Venezuela is enduring. Some observations were made as to the alleged motives the coupists used to try to justify their violation of and disregard for the nation's Constitution and laws.

3. The legitimate Armed Forces commanders have authority over their subordinates. That authority is moral and the result of the good examples they set. That authority was an essential factor in controlling the regrettable events of 4 February, when the absolute majority of the Armed Forces remained firm in fulfilling their military duties and respectfully obeyed orders from the Armed Forces commanders.

4. The Armed Forces have always maintained contemporary views and have always tried to adapt to technological change and to new demands made by the Venezuelan people.

Changes in the Armed Forces will never be the result of any particular policy, but of continuing adaptations by our organization to the challenges that 20th century military institutions must face.

5. The internal unity of the Armed Forces is a part of our national patrimony, and all Venezuelans who want to consolidate in our fatherland a society under the rules of liberty and law have the binding obligation to safeguard it.

Thank you very much.

Coup Leader Arias Denies Planning 'Bloodbath'

PA2802043492 Paris AFP in Spanish 2339 GMT 27 Feb 92

[Text] Caracas, 27 Feb, (AFP)—Lieutenant Colonel Francisco Arias, one of the leaders of the 4 February coup attempt in Venezuela, denied in an interview with EL GLOBO that they were planning a bloodbath and affirmed that he surrendered to prevent a civil war.

"We are not Latin American gorilla monsters, as we have been portrayed. We understand Victor Jara was hammered to death by Chilean soldiers' rifles, but we are an army of the people; young officers with a different perspective of national and international reality," Arias said.

Arias, who used to attend a seminary, controlled Maracaibo—the country's most important oil producing city, located 600 km west of Caracas—for over 12 hours. The officer recognized, however, that the so-called "Bolivarian 200 Revolutionary Movement" was planning to "try corrupt officials, part of which was purging the judicial branch. We never thought of hanging people from street lights."

Retired General Carlos Julio Penaloza, former Army commander, said the coupists had planned to "take the corrupt to the university stadium," where they would be executed after a summary trial.

Arias explained that after Lt. Col. Hugo Chavez Frias, another of the leaders, called for his comrades to surrender in a television appearance, he gave himself up to prevent a "war" from breaking out. We basically planned to capture and try the president.

We were going to unmask him and show him to the people as he really is, so they could see who was causing their pain," Arias indicated. "When we did not achieve our major objective, we realized we could only achieve the other two (to take power and form a council of government with civilian participation) only through great effort and a long war," he stated.

"The people were ready for a change. I think if we had occupied the (radio) stations, we would have ended up in a war. That would have meant bloodshed for Venezuelans and a move backward," he said.

In his opinion, "this country has been manipulated and oppressed for many years. If the people had had weapons on 27 February (of 1989, when a week of violence and looting broke out, the repression of which took the lives of some 400 people) their reaction would have been terribly savage."

Although he admitted that if the coup had been successful, the United States might have organized an invasion, Arias stressed that "our manifesto stated respect for international agreements."

Despite the maneuvers, (President Carlos Andres) Perez can no longer fool everyone. I saw a report by the U.S. Department of State about corruption and misery in this country. We believe we would not have been as criticized abroad as he thought we would. The president does not have the world's power centers totally fooled," Arias affirmed.

Arias concluded by reporting that "some intend to turn our Armies into police forces and some of our leaders agree. They agree not out of conviction, but because they must say yes in order to be promoted."

"The Army is being used not to fulfill the country's needs or to safeguard its territory but as enemies of the people, which is inconceivable," he emphasized. "Any army that respects itself and whose anthem says 'our life is in the blood of the people' cannot shed that blood, but must defend it," Arias said.

Some 300 mid-level Army officers were arrested after the coup attempt, and formal arrest warrants have been issued for 74 of them. Arias and the other leaders are currently being held at the San Carlos garrison in Caracas, where they are being questioned by military tribunals, which are still at the summary hearing stage. The would-be coupists may face up to 28 years in prison.

Disorders Reported During 'Caracazo' Anniversary

PA2702231592 Mexico City NOTIMEX in Spanish 2235 GMT 27 Feb 92

[Text] Caracas, 27 Feb (NOTIMEX)—Isolated disorderly incidents took place in Venezuela on 27 February, amid a partial suspension of constitutional guarantees, on the third anniversary of the violent lootings and demonstrations known as the "Caracazo."

At 1600 (2000 GMT) students and unidentified individuals burned three vehicles, including two trucks, in different parts of Caracas, according to official reports.

Policemen were peacefully patrolling the vicinity of the Central University of Venezuela (UCV), the site of clashes and a truck burning earlier on 27 February.

A false alarm reporting a bomb in the Attorney General's Office downtown headquarters led to the deployment of police units, local radio stations reported.

Students demonstrated for the third day in a row in Merida, 680 km southwest of Caracas. Using tear gas, security troops dispersed the small groups of high school students who tried to hold a demonstration in the southern central part of that Andean city.

According to the authorities, riots took place in the heavily populated "23 January" neighborhood in Caracas, where looting and violent clashes occurred three years ago. Citizen groups and UCV students denied responsibility for the 26 February incidents and called on the people of Caracas to stage a blackout and make noise with their pots and pans this evening to mark the violent events of 1989.

According to official reports, relatives of the almost 400 people who died three years ago attended a mass at a church in central Caracas. They demanded justice for the alleged executions carried out by police and soldiers.

Following an investigation into the events of three years ago, humanitarian groups and relatives exhumed 68 bodies from a common grave, of which three bodies were identified. As of today, the authorities have not arrested any of the policemen or soldiers accused of indiscriminately shooting passers-by, demonstrators, and looters during the violence that began on 27 February 1989.

Suriname

Reforms Causing 'Tensions' With Military

PM2402142092 Rotterdam NRC HANDELSBLAD in Dutch 19 Feb 92 p 2

[Unnamed "own correspondent" report: "Surinamese Army Opposes Reforms"]

[Text] Paramaribo, 19 Feb—The Surinamese Army foresees "growing tensions" with the government as a result of plans by Defense Minister Gilds to reorganize the military apparatus.

Gilds wants to remove from military authority Defense Ministry officials who are also officers and to place them directly under the ministry's civilian leadership. According to Gilds, as things stand at present, the government has insufficient insight into the Army's administration and expenditures.

In a report on behalf of the military authorities, Army leader Bouterse indicated yesterday that the plans of Defense Minister Gilds will increase the tensions between Army and government. According to the Army leadership, the new organizational structures will "remove sections of the Army from military discipline and order, a responsibility that lies with the commander in chief."

As a result of Bouterse's statement, President Venetiaan yesterday held talks on Gilds' plans with the Army leader. After the talks, the president told journalists that the maintenance or other issues regarding the Army leadership were not discussed and that the government is not out for confrontation. In a statement, Minister Gilds said that he had already discussed the reorganization plans with the Army leadership. Gilds is convinced that by keeping the Army informed, further tensions can be avoided.

In the talks between Venetiaan and Bouterse, the celebration of Revolution Day, 25 February, was discussed. For the first time since the 1980 coup, permission has not been granted for public festivities in Paramaribo. Venetiaan informed Bouterse of what scope the National Army will give to marking the day. The Army may mark the day within its own ranks. However, there can be no suggestion of public celebration.